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We desire to draw the attention of our readers and friends to a change in the subscription rate for SATURDAY NIGHT to countries outside of Canada. The rate to Great Britain and the British Dominions, Colonies and Protectorates will in future be the same as the domestic rate, namely Three Dollars per annum. The rate for the United States will be Four Dollars, this difference being accounted for by the higher postal charge. The rate for all other countries will be the same as for the United States.

This represents a reduction of Two Dollars per annum in the rates that have prevailed for many years for subscribers outside of Canada. The circulation thus obtained will represent no profit for the publishers, for it has to be remembered that the great majority of our advertisers look upon this journal as a means of reaching a selective market in Canada only, and have little interest in our outside circulation. But the publishers have lately come to feel, and the outbreak of the war has strengthened them in the feeling, that it is important in the interests of Canada and the Empire that a representative Canadian periodical of comment and discussion, such as SATURDAY NIGHT, should be more widely known in Great Britain and other countries.

We hope that readers who have friends in such countries who might be interested in SATURDAY NIGHT will bring the new rate to their attention. We shall be glad to send sample copies of the paper for three weeks to any address outside of Canada which may be furnished to us by a present subscriber. If you have a friend abroad who would in your opinion be interested in SATURDAY NIGHT send us his name and address.

Both our old and our newer readers will be glad to learn that we have arranged with Willson Woodside to provide us with a weekly column of comment upon the European situation as it develops from week-end to week-end; they will please remember, however, that it has to be written not later than Tuesday noon and cannot deal with anything occurring after that date.

A list of the entrants in our Royal Visit Photograph Competition whose pictures have been accepted for the Album to be presented to Their Majesties will be found on page 17. "Jay" is now engaged in making the uniform enlargements for the Album. Prizes will be awarded as soon as the prints are completed.

A "Career" Minister

IN VIEW of the fact that this country is engaged as a combatant, and that we hope the United States will shortly be co-operating at least as a source of supplies, in the gravest war of modern times, the selection of what the Americans call a "career" diplomat as Canadian Minister to Washington seems to us to be a wise move. Mr. Loring Christie has never been a public figure and is probably very far from being a millionaire; but he knows everything that there is to know about the external relations of Canada, and a good deal about its internal business, and he has enjoyed the implicit confidence of Prime Ministers and Secretaries of State from Sir Robert Borden on. This is not the time when a conspicuous social figure would do us much good in Washington, and it will be much more useful to have a man there who knows his way around amid the most intricate diplomatic problems.

The Montreal Gazette will, we fear, be gravely disappointed at this nomination. Last week it had an article which led us to suspect that somebody with whom the Gazette is very friendly had designs upon the post—which incidentally the Gazette raised to the dignity of "the Washington Embassy." It wanted somebody appointed right away, which was a reasonable demand, and has been complied with. But that somebody must not be a civil servant, and experience at Geneva or Washington would be of practically no value. The appointee would have to have a long list of "very exceptional qualifications." He must

be a good mixer, for he would have to co-operate "upon friendly, even intimate terms" with the President and the British Ambassador. He would have to be "a man of ample means if he is to do effective work in a capital where affluence has never been a negligible factor." He must have "business capacity" and "very positive social gifts." The Gazette wanted him to be selected "irrespective of age or of party affiliations," which obviously means that it would be no objection if he were young and were "not a Mackenzie King Liberal." He should not be an "intellectual pundit," but he should "have brains and to spare." We wonder, now, who that could be.

Hitler Yields to Army

NOT many people on this side of the Atlantic have realized the extent of the surrender of Herr Hitler to the German army which is represented by the Russo-German pact. Herr Hitler has no more love for Russia today than he had in 1933, when he countermanded all German investment in Russia, stopped the export of machinery to that country, and refused to take delivery of arms, munitions, aircraft and tanks from Soviet plants. Under the influence of the man whom the London Financial Times describes as his ideological adviser, Herr Alfred Rosenberg, Russian by birth and a violent anti-Bolshevik, Hitler had developed that bitter hatred of the Stalin régime which has been part of his public policy for many years, and which is perfectly genuine and not a tactical manoeuvre. He believed that by cutting off the German supply of machinery to Russia (on credit) the further rearmament of that country could be effectively obstructed; but he had failed to take into consideration the extraordinary change which occurred in the foreign trade position of the Soviet Union almost immediately after the Nazi revolution.

About 1932 the Russians discovered that the one export which would infallibly and invariably secure a foreign market and thereby give them command of foreign exchange was gold, of which they had large neglected deposits. They immediately began to intensify their gold-mining industry, and between 1932 and 1938 they increased their output from less than

two to more than six million ounces. This rendered them entirely independent of German credits, and German exports to Russia sank from 762 millions of reichsmarks in 1931 to less than 32 millions in 1938. They would have gone even lower but for the fact that much German machinery in Russia could only be serviced from German plants.

The German army never trusted Hitler's anti-Russian policy, nor did it like his effort for the highest possible degree of autarky in the German rearmament program. It wanted a considerable part of the rearmament work to be performed in Russia, and before Hitler's advent it had seen to it that numerous aircraft, tank and munition factories were set up in Russia with German machinery and under German management. It was the output of these factories which Hitler refused to accept after 1933. Hitler, in other words, enabled and almost compelled Russia to use for its own purposes the munition plants which Germans had established there with the intent that they should be used for Germany; and he thus ensured that Russia should become too dangerous for Germany to go on treating her as an enemy. The embraces exchanged at Moscow between Herr von Ribbentrop and M. Molotov thus constitute, not a mere reversal of military policy, but an open confession of Herr Hitler's most serious political and economic error. But if Russia had had no gold mines, or if the United States had had a less insatiable appetite for gold, he might have been right.

Ostertag on Conscription

WE HAVE never been able to muster up much enthusiasm for the principles of Technocracy, nor for the organization known as Technocracy Inc. which propagates them. But our opinion of them has not been enhanced by the behavior of the organization's leaders towards the Canadian Government in regard to the present war. The New York headquarters of Technocracy Inc. have communicated to Mr. Mackenzie King, in a telegram signed by Howard Scott, director-in-chief, their entire disapproval of any conscription of Canadian man-power for service overseas; and what business this is of the New York headquarters of Technocracy Inc. we are unable to

THE PASSING SHOW

BY HAL FRANK

THE realization begins to deepen that this war will not be like any other war because this world is no longer like any other world.

These days, not only have you to distinguish between truth and propaganda, but also between prophecy and wishful-thinking.

Well, the first slacker has appeared. He's the chap who has cut down on his consumption of alcohol in order to offset the war tax.

And you will know it is Utopia, too, because literature will be literature and not a sales pamphlet.

FILM REVIEW

Three hurroz
For "The Wizard of Oz"

A writer in a magazine poses the query: When is a neutral not a neutral? We suggest the answer: when it is a neutral.

Man has certainly created a problem in the machine. It either throws him out of work or destroys his life.

It is only becoming apparent now that among the monarchical systems overthrown as a result of the last war was the reign of reason.

And we will know that people have finally settled down to the war when they begin to listen to news reports the way they listen to advertising announcements, with a disconnected mind.

Question of the Hour: "Doesn't the coal-bin look rather empty?"

Another chap we know has joined the army because he lost his job. He was a map-maker.

Patriotism takes many unsuspected forms. There is the story of the husband who informed his wife that he wasn't going to any more bridge parties for the duration.

There are atrocities in civilian life, too, as witness the "swinging" of classical music.

Esther, who wants to do her bit, says she was never so insulted in her life. She says she applied for a job in the Intelligence Service and the officer in charge asked her if the Germans had put her up to it.

↑ THE PICTURES ↓

"WITH GOD'S HELP, WE SHALL PREVAIL". On Sunday, September 3, following the outbreak of War, His Majesty King George VI broadcast his simple but stirring message to the peoples of the Empire. These historic photographs were made on that occasion by the London Times. RIGHT, His Majesty at the microphone in Buckingham Palace and LEFT, with Her Majesty The Queen immediately following the conclusion of the broadcast.

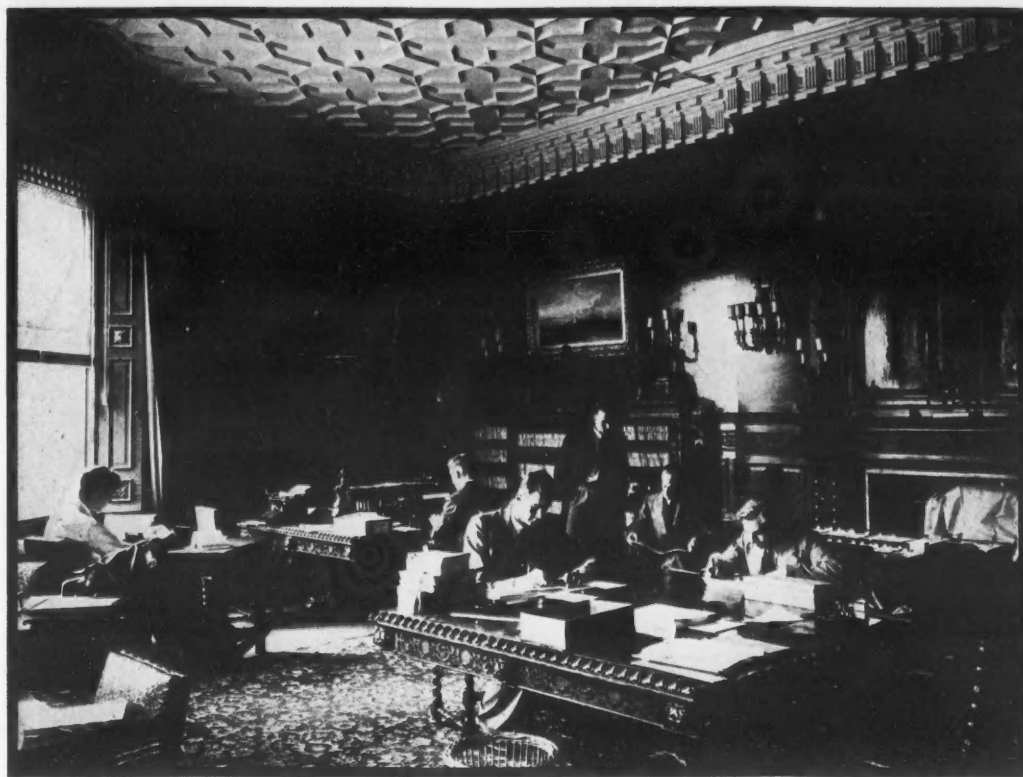
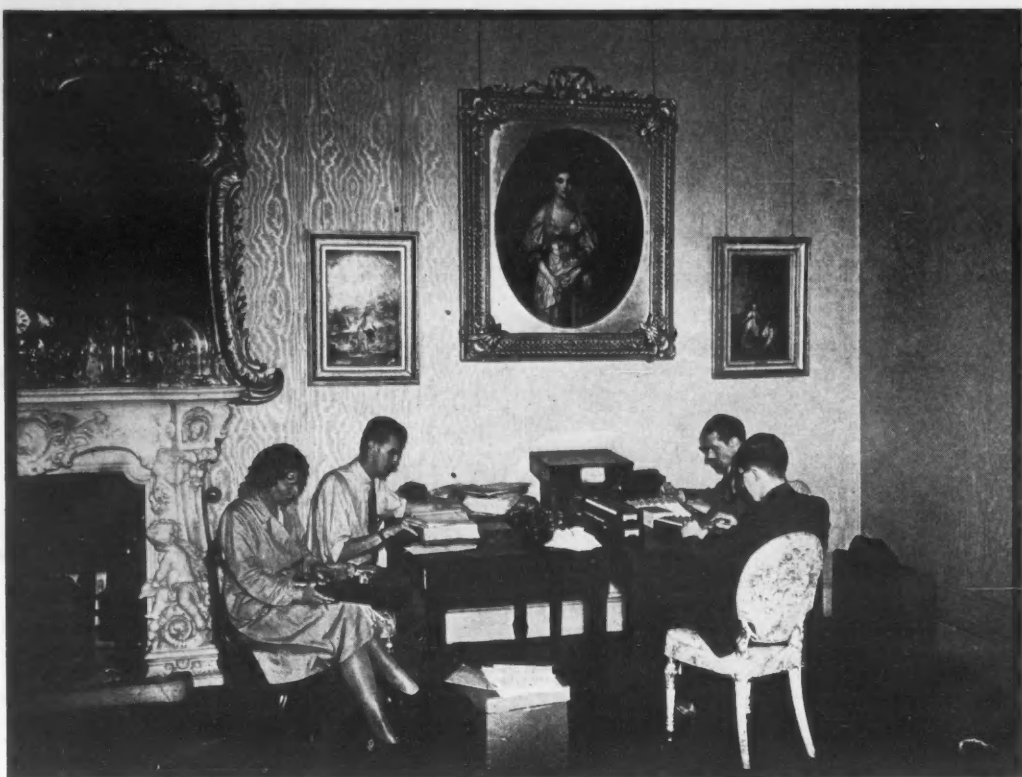
imagine. But Mr. Scott at least has a name which suggests that his forebears were of British racial origin. The Vancouver local of the same organization has sent in a similar protest bearing the signatures: "Ostertag, Director; E. V. Von Strauss, Chief of Staff." If the Technocrats of Vancouver want their views about conscription to have any weight at Ottawa—and being in Vancouver we suppose they have a better right to have and express such views than Mr. Howard Scott of New York—they should certainly try to get a director and a chief-of-staff with slightly less Teutonic names. We have long thought that there were elements in the Technocracy policy which had some similarity to National Socialism, but we had no idea that the branches in Canada were in the hands of persons of such very German nomenclature.

Lindbergh Right and Wrong

THERE was a great deal of good sense in Col. Lindbergh's broadcast last week to his fellow-Americans, even if he did advise them to keep out of the war. And the most sensible thing in the whole speech was the declaration that the United States "must either keep out of European wars entirely, or stay in European affairs permanently." The only criticism we can apply to that sentence is the use of the word "European." The war of 1914-18 was not a "European" war, it was a world war; the war of 1939 is not a European war, it is a world war. With that correction we agree that it is urgent that the United States should realize that it must either keep out of world wars or stay in world affairs permanently. But with that correction it might also not be quite so easy for Americans to jump to the conclusion that they ought always to stay out—permanently.

The point that Col. Lindbergh and his fellow-isolationists forget is that it is impossible to have power without also having responsibility, and that the United States has enormous power. It has the requisite power, both economic and military, to enable it to control the balance of power in any international conflict. If it abstains from exercising that power, and controlling that balance, it is abdicating that function in favor of Russia, which is unquestionably exercising the balance of power at the moment, and exercising it for the deliberate purpose of destroying democratic civilization. Russia has no interest in the victory of Germany, and no intention of promoting that victory; she will give Germany just sufficient aid to ensure that she will be completely and profoundly exhausted before she is conquered; and if the democratic powers can be completely and profoundly exhausted at the same time that will be so much the better for Russia, which will emerge from the conflict as master of Eastern Europe at least and possibly as master of the world. That is the kind of conflict that Col. Lindbergh would have the United States stay out of. That is the kind of world affairs—not European affairs—that he thinks the United States must on no account "stay in permanently." That is the situation of which he can say that "There is no Genghis Khan or Xerxes marching against our western nations."

(Continued on Next Page)



"Just Another Holiday"

BY HARWOOD STEELE

London, England

"DON'T let 'em see yer cryin'! Let 'em think it's just another 'oliday in the country, sime as larst year!"

With four other mothers from one of the poorest districts of London, she stood this morning in a crowd of relatives and friends at the gateway leading to the platforms of a great railway terminal whence is proceeding as I write the first phase of the tremendous scheme for the evacuation of children, the infirm and the aged, which is to clear the cities and towns in England's denser area and leave them ready for war. For months the entire country has been quietly preparing for this exodus, for eleven days they have been expecting it and now it has come—the greatest movement of its kind in the world's history.

Through all this long strain, these mothers have bravely hidden what they felt, have worn what Mr. Herbert Morrison, leader of the Air Raid Precautions Committee, has urged every one concerned to wear: "A cheerful British smile." And this morning they kept up the bluff till the very last—till the kind teachers and grown-up helpers in charge of the actual parties had the kiddies safely in the coaches and the train was about to pull out and those cruel gates had closed. Then they could stand it no longer—especially as they now knew that Hitler has invaded Poland, has made the fatal move which may end in cutting them off from their children for ever. So the tears were flowing down rugged cheeks into crumpled handkerchiefs held in work-reddened hands.

But still the word was "Don't let 'em see yer cryin'!" and the mothers turned their backs on that awful train, hid behind sign-boards and the friendly, understanding shoulders of set-faced men.

When Will They be Back?

This is only one little incident among dozens I have seen today as I watched the evacuation. Here is another: One of the tiniest boys London ever saw stands at the station saying goodbye. He is burdened, it seems, with everything in the world but the kitchen stove, looks like a wee burlesque of what Daddy did in the Great War, for he is carrying all the things he has been told to bring—gas mask, good shoes, night clothes, spare stockings or socks, toothbrush, comb, towel, soap, handkerchief and coat, with food for his journey, and he is very carefully labelled, so that, in the very unlikely event of his being separated from the rest of the school group, he will not be lost. And he is crying as surely no child ever cried before—not because of the weight of all this stuff, which he humps along in a bag on his little back, but because he is going away to "Somewhere in the Country," a

THE VALIANT

SO NOW the bird of Peace has flown again,
And we are free, and our hearts have found content.
We shall go proudly where our fathers went,
Rid of the world's compassion, the world's pain;
Quit of the years wherein we strove in vain
With pitiless Peace, to burst our banishment,
To stir up hope for the bleak hours we spent
In the dark places where our dreams had lain.
Now like a mist from foreign field and fen
Rises anew the old and storied strife,
And we go forth against a nobler foe,
The tasting of whose death shall make us men;
Shall show us Freedom quickening into life,
And Honour flaming to our sunset's glow.
Prince Albert, Sask. —JOHN V. HICKS.

destination not even his teachers know, going away from mother for the first time in his small life and no one—not even Hitler—can say when he will be back.

Then all of a sudden Mummy, so desperately near to tears, like the rest of us, herself, says: "I know, darling, I know—but England's got to keep her promises, ain't she?"

And, somehow or other, through those sobs, he answers her:

"Yes, Mummy—we've got to keep our promises!" So a last hug—a last kiss—and the Soul of England toddles away, to board the train, into the Unknown—alone.

Somehow, I think the whole story of the evacuation may be found in those two scenes. But if that is not enough—if even that cannot bring home to you in Canada the beastliness and brutality of this War against the Innocents which at this moment has been loosed by that Juggernaut in Berlin—for things

like this are war, though, up till now, no shot has been fired against England—here are two little items which may have escaped the deluge of details which I am sure has been poured into Canada by the press on this and similar subjects during the last few fateful days:

The first is that in working out their plans, those in authority have had to find out and consider how far a five-year old child can walk without exhaustion. And the second is that all over London are posted notices instructing parents how to obtain gas masks "for children under 2 years."

When you read these words, the great evacuation—the orderly transshipment to safe places of 3,000,000 non-combatants—will probably be complete. And perhaps England will be locked in that long-awaited death-grapple with Nazi-ism. If so, what I have now said may well have been pushed into some obscure corner of the paper. Worse—it may never appear at all. But before vaster and more terrible events sweep the memory of the evacuation into oblivion or a turn of the tide at the word of Canute Hitler draws back the waters which seem now about to engulf us, I want to get the foregoing to you all in Canada, so that you may have brought home to you the gallantry with which the parents of the children of this glorious little England are facing the climax of the long years of German ruthlessness:

"Don't let 'em see yer cryin'!"—"Yes, Mummy—we've got to keep our promises!"—How far can a five-year old walk to escape death from gigantic bombers?—Where do we get gas masks for children under two?

Hitler says, according to the latest paper now at my side, that in the conflagration he has kindled he will not make war on non-combatants. He is making it already—for if all that is not war on non-combatants, what is it? Kiss-in-the-ring, perhaps, or whatever it is called in Munich!

FROM WEEK TO WEEK

For the Duration

BY B. K. SANDWELL

MORALE alone will not win a war. But equipment alone will not win a war either. Where both sides have adequate equipment, victory will go to the side with the better morale. The Poles appear to have had a good morale but decidedly inadequate equipment, which is not to be wondered at in view of their recent arrival at the state of nationhood, and the relative poverty and inaccessibility of their territory. For that matter they are not even yet completely beaten, at any rate in the sense of being incapable of resurrection in the event that their allies are victorious.

France and the nations of the British Commonwealth have adequate equipment and resources to keep up the struggle in which they are now engaged. But so far that matter has Germany, at any rate for a period of a good many months, which might be sufficient to see the issue determined by a military decision one way or the other. In this condition the morale of each and every one of the countries engaged is all-important, the morale of Canada not less than that of any other combatant in spite of her remoteness from the major scenes of conflict.

Seeing Things Through

It is essential that Canadians should abstain from war hysteria of every kind, the kind that leads to feverish and impermanent effort no less than the kind which leads to despondency and abandonment of effort. This country is fortunate in the cause for which it is fighting, a cause of which no lover of liberty and humanity need be ashamed—and a cause for which our good friends and neighbors in the United States are very far from being ashamed of us. This country is fortunate in the leadership under which it has entered upon the conflict, a leadership which has done all that could be done to bring the many races and sections and factions of the Dominion into the struggle with a single purpose and a single policy. This country is fortunate in the energy and ability with which its efforts are being co-ordinated to the end of achieving the maximum of military and economic effectiveness, not for tomorrow or next week alone, but for the whole duration of what will probably be a long and exhausting struggle. This country is fortunate, above all, in the disposition of its people, who are habitually slow to set their hands to any great enterprise, and

↑ THE PICTURES ↓

"SOMEWHERE IN ENGLAND" business is being carried on as usual but in a setting somewhat different from the usual office surroundings. Many of the larger British firms had completed preparations for the evacuation of London well in advance of the beginning of the war and the move was made with little upset. Here we have employees of one of the leading insurance companies, now established in a magnificent country house. LEFT, the drawing room and RIGHT the dining room of the mansion which still contains its peace time furnishings and decorations.

The Front Page

(Continued from Page One)

The truth is that the United States cannot stay out of world affairs permanently, and that the only wise course is for it to stay in them permanently. The present situation is largely the result of the United States wading in in 1917 and withdrawing in 1919. That was twenty years ago. There is still room for hope that this time the United States, in spite of the Lindberghs and the Borahs, will have learned the lesson that it is impossible to have great power in this world without also having great responsibility, and that great responsibility calls for something more than the solemn washing of isolationist hands and the declaration that "we are innocent of the blood of these millions of innocent men, for they are Europeans and we are Americans."

University Governors

THERE is a certain type of public authority which attracts but little attention because it functions only at rare intervals, but which at those rare intervals has a vast amount of power to determine the

direction in which the community shall develop. Because of the indirectness and casual or occasional nature of their influence, authorities of this kind frequently attract much less public attention than their real importance deserves.

The Board of Governors of the University of Toronto has doubtless only an insignificant influence upon the day-to-day process of education in the province of Ontario. But in the long run, a change in its character is capable of effecting a change in the whole trend of the cultural life of the province and indeed of the Dominion. The Governors can, though only more or less gradually, effect profound changes in the subjects taught as part of a university education, in the respect in which different subjects are held, in the ideals and personnel of the teaching staff, in the whole concept of what constitutes an educated man. Practically the only limit to their ultimate power is the competition of other universities; and on the other hand the policies of a university such as Toronto exercise an immense influence, owing to its size and prestige, upon those rival institutions themselves.

For these reasons we feel justified in stating that there is a lively and widespread alarm in academic circles about the character of recent appointments to the Toronto Board of Governors by the provincial Government. This involves no reflection upon the personal character or abilities of the appointees themselves, nor has it anything to do with their possession or lack of a university degree. There have been persons without university degrees on the Board for many years; but they have been persons whose respect for traditional academic culture was unquestioned, and who have performed the invaluable function of seeing that the tradition and the active life of the community should never become too widely separated. More recent appointments have been such as to suggest that respect for tradition was the last quality that the Government was seeking in its nominees.

The subject is a difficult one to discuss, because criticism of any particular appointment is likely to be construed as a suggestion that the appointee is not a fit person to be a Governor. We have no desire to go so far as that, but we do suggest that it would be possible to find other persons in Ontario slightly more suited to be Governors than some of the recent appointees—slightly more suited, that is, to be the colleagues of Sir William Mulock, Dr. Bruce, Sir Lyman Duff, Mr. N. W. Rowell, Mr. W. E. Rundle, Mr. Vincent Massey and other older Governors. It is not necessary to be what the *Montreal Gazette* calls an "intellectual pundit" in order to be qualified for this Board, but it is surely desirable to be an intellectual; and we think some of the recent appointees would earnestly, and rightly, scorn that title.

Immensity of Problems

THE POSTSCRIPT to a long and interesting letter which we received this week from a valued contributor who has begun to work for one of the wartime authorities in Ottawa reads as follows: "In the last forty-eight hours I have learned more of the immensity of the problems of government than I had learned in the last forty-four years!"

We wish that this experience could be more widely shared by others among the numerous tribe who write for the press without any serious appreciation of "the immensity of the problems of government," among whom we would include not a few of our brother editors, a good many journalists of less responsible rank, and about eighty per cent of those most irresponsible of critics, the people who write "Letters to the editor" in order to work off some fancied grievance or some purely personal animosity.

About these last-named we are beginning to feel very strongly. Canadian newspaper editors seem to us to have a greatly exaggerated idea of the rights of the people who write letters for publication in their columns. They appear to think either that it is their duty, in the name of free speech, or else that it is to their business advantage, for circulation or advertising or prestige, to publish everything that is sent in to them which is not obviously disqualified under the laws of libel or indecency.

Absolutely nothing is gained, and a great deal is lost, for example, by the publication of letters describing Mr. Woodsworth as an ignorant and spineless person (perhaps the two least appropriate epithets that could have been discovered), or referring to the Prime Minister as a war-dodger and a servant of American interests, or denouncing Dr. Manion as a slave of the French-Canadians or a mere echo of Mr. King. Our own feeling is that an editor who would not permit such expressions to find a place in his own column is performing no duty and no public service in permitting them to appear over the signature of "Junius" or "Old Flag."

Swastika Over Quebec: Party Record

BY JOHN HOARE

This article is a continuation of Mr. Hoare's study of the movement headed by Adrien Arcand, a description of whose recent meeting in Montreal appeared in a recent issue. Since the outbreak of war Mr. Arcand has given assurances to the police that he will hold no more meetings while hostilities are in progress. It is believed that the activities of the "leader" and his associates are being carefully watched.

THE Nazi movement in Canada began as soon as Adolf Hitler became Chancellor of Germany and a propaganda department was established by his government.

Ludecke, in his book of confessions, "I Knew Hitler," states that he himself helped to organize the Nazi movement here. "We were in happy mood," he writes, "when we drove to Montreal to keep our appointment with Adrien Arcand. . . He was greatly pleased when I gave him an autographed photograph of Hitler. We understood each other perfectly and agreed to co-operate in every way."

On September 28, 1933, Arcand sent a letter to Major Frank Peace, Bad Aachen, Germany, "If it can help you," he wrote, "you can act as correspondent of *Le Patriote*, which is known to Hitler and which is very well appreciated by the Nazi propaganda bureau. Don't forget to reach Ludecke, a most estimable friend, who was in the United States for several years. I have great faith in him."

This letter is quoted in the New York *Nation* of February 26, 1938, and the same issue carries a four page interview with Arcand which is most illuminating. The following extracts bear directly on the subject of the link with Germany:

"Interviewer: your movement is sympathetic with the Nazi regime in Germany?"

"Arcand: We are a national organization and we have no international affiliations, but we feel ourselves to be in moral solidarity with Hitler. . .

"Interviewer: What about this German printed material that is being circulated in Canada?"

"Arcand: We have received an odd bundle of leaflets from Hamburg. . .

"Interviewer: Do you stand for the destruction of democracy? In other words, if you were to take power in Canada would you permit opposition groupings to continue to exist? Or would you immediately legalize them, as Hitler and Mussolini have done?"

"Arcand: We will immediately legalize all other parties, declare unionism obligatory for bosses and workers, and organize the corporate state.

"Interviewer: If I understand you correctly, you are opposed to democratic liberalism because it tolerates communism?"

"Arcand: No, that is not entirely so. Even if there were no communism we would still be opposed to liberalism."

Finally, in Arcand's paper, *Le Combat National*,



THE SWASTIKA IN QUEBEC. These photographs were taken before the midsummer change which converted the emblem of the Canadian Fuehrer into the flaming torch. They show Adrien Arcand and a group of his young collaborators in the Montreal office of the National Social Christian Party.

appears an advertisement of a notorious German propaganda bureau, *Deutscher-Fichte-Bunde V.* of Hamburg. This advertisement offers a free service to your door giving all information concerning Germany today "et son travail anticommuniste." Note the old red herring appearing once more.

The above is sufficient to prove Arcand's link with the Hitler régime. Then why, with this German link established, was the Arcand party swastika symbol changed to a red Fascist torch? This switch is most illuminating.

In the spring of 1938 you will recollect that the Pope outspokenly condemned Hitler and his régime for their maltreatment of German Catholics. Now French-Canadians are Catholics. The Church in Quebec is Catholic. Clearly Arcand could not continue operating under the swastika. He did the obvious thing.

"On July 1, 1938," wrote Caiserman in a London periodical, "took place in Kingston, Ontario, a secret Nazi meeting. At this convention a new name was given to the Nazi party—namely the Canadian National Unity Party. The swastika as the emblem of the party was abolished and a new emblem adopted—a flaming torch."

FOR the Arcand party, up to the moment of the outbreak of the war, had succeeded in avoiding anything in the least degree resembling a breach with the Catholic authorities in the Province of Quebec. As I noted in my previous article, the Arcand meeting which I attended this summer took place in the church hall of St. Thomas Aquinas. Meetings had

frequently been held there. Leaflets giving notice of an Arcand meeting to be held at the Salle Dante on April 24, were distributed shortly before that date in the porches of at least five other churches in Montreal. In the church of Notre Dame de la Défense, also in Montreal, is a large and very splendid painting on the curved ceiling above the altar, incorporating more than a hundred figures. I have seen it myself. Saints and angels are there; martyrs clothed in leaves; cardinals in their brilliant robes; in the centre the Pope enthroned. Among the rich and varied colors a splash of black catches the eye from the right hand side of the picture—a group of figures in black, standing. These are no other than portraits of Italy's Fascist leaders. Balbo is clearly recognizable. Some of the others I could not identify. But one black figure overshadowed all the others, overshadowed all that side of the picture, dominates everything except the Pope himself. It is Mussolini on a charger.

It is through Italy, rather than through Germany, that the Canadian Fascists now seek their linkage with their fellow workers for Fascism in Europe.

THE Arcand party also managed, up to the outbreak of war, to keep on good terms with the government of Premier Duplessis in Quebec. Arcand is by profession a journalist. His position is that of editor of *L'illustration Nouvelle*, a popular illustrated newspaper which gives general support to the Duplessis government. Arcand's party sheet, *Le*

Does a Young Man Need a Will?

Let us explain the answer.

Crown Trust Company

Executors — Trustees — Financial Agents
80 King Street West Toronto

Combat National, is printed on the same press as *L'illustration Nouvelle*. The columns of the latter have for a long time been open to the statements and proclamations of the National Social Christian Party. From the interview in the *Nation* which I have already quoted we learn that Arcand was asked whether it was true that he had held "an important position in the Conservative campaign apparatus during the last federal election," and replied: "I was in charge of their propaganda for the Province of Quebec. I specialized in anti-Communist work." While Mr. Duplessis' campaign was not officially described as "Conservative," it had the support of all the active Conservative elements in the Province of Quebec, and Mr. Duplessis himself was at one time the leader of what was officially designated as the provincial Conservative party.

I SHOULD perhaps conclude these articles with a brief reference to myself and my connections with Canada. So far as I am aware, for the few hundred years that my family may be traced back, there is in it no element of Jewish blood; but of course, if one goes back far enough, one might happily find that one of Arcand's ancestors and one of mine sold old clothes together in the Orient! I lived in Montreal from 1910 to the Fall of 1921. During the war I went overseas with many old friends to help defend this country against the Boche who was then as now threatening liberty all over the world. In 1921 ill-health induced by war service compelled me to seek a milder climate. Now, after eighteen years, I return to Canada to find the Boche, long before the outbreak of open warfare, blatantly attacking on the home front—camouflaged, as usual, and enjoying a free hand for his operations until the very outbreak of the war.

Since that outbreak things have been greatly changed. In Montreal the R.C.M.P., with their traditional efficiency, have seized and incarcerated a considerable band of Nazis. Arcand's meetings have been forbidden. *Le Combat National* is, as I write, about to be forbidden. And Arcand himself, while he is apparently to be left at liberty, will presumably not pass unobserved.

"Hit Ayn't Fayr!"

BY L. L. L. GOLDEN

"The English are decadent."—Goebbels.

I WAS a child and it seems a very long time ago. My home was in Cabbagetown and I must have wandered quite a way, for I remember very well it took place in McFarlane's Lane, near the old Price's Dairy.

It was a Fall evening. There was a crowd of men standing about and watching it. The ring of men moved back and forth. I remember some woman kept on crying and shouting, "Why doesn't some one stop them?" "Please somebody stop them."

One man was medium-sized. The other two were big men. None of them had their coats on. Their shirts were torn and there was blood, plenty of it, on the white shirts of the two big men. It wasn't their own blood. The smaller man was taking a horrible beating. The two men were pounding him steadily. The small man would take a run at them and then try to break away. Then the big men would drive their fists into his face and the small man would groan and bleed some more.

In the waving circle of men there were no police. There were plenty of big men. Some of them muttered and cursed. None did anything. The woman's voice still screamed, "Stop them! Stop them! Please!"

THE three men were Canadians. The crowd was Canadian. Old Canadian. Cabbagetown was one of the first districts settled in Toronto. It has changed a good deal, but at that time it was made up of descendants of Toronto's oldest families. Not the kind whose names appeared on the cards left at the Lieutenant-Governor's on New Year's day.

They didn't think much of the bronchos. "If they don't like it here why don't they go back to England

where they came from, the bloody cockneys." Despite the fact that they themselves were, in many cases of English descent. Of course there were lots of Irish here, both kinds. Cabbagetown had its Ulstermen and of course the large St. Paul's Roman Catholic Church.

The beating continued. The small man was crying as he struck back. It was the first time I had heard a man cry. Everyone still stood around.

AND this is the part I remember most clearly. A skinny little man in a cap got into the front row of the ring. I remember him pushing through the thick crowd. He seemed to stand there for only a few seconds. Then I heard him say, "Hit ayn't fayr. Hit ayn't."

Then the skinny little man, who was far smaller and thinner than the man in the white shirt who was taking the thrashing, jumped into the fight. He grabbed one of the big men at the collar of his shirt and butted him on the chin with his head. The big man smashed the little cockney to the ground. He scrambled up again. "Hit ayn't fayr."

That little cockney wore no school tie. He had never gone up to the university. He was one of a long line of undernourished Englishmen who had never had anything to do with the playing fields of Eton. He never got anything out of the Empire. He got no oil fields. No diamond mines. No markets for his manufactured articles. But he was England. He knew none of the men in the fight. He had never been a blundering diplomat. British fair play was not merely a loud honk. To him, to those who went before him and to those who will have to follow him, "Hit ayn't fayr" was sufficient.

"The English are decadent."—Goebbels.

THE WAR AGAINST AGGRESSION

What Is Russia Up to Now?

BY WILLSON WOODSIDE

THE evening before I sailed to Europe last May that shrewd but modest American observer of Eastern Europe, Henry C. Wolfe, predicted to me that Germany and Russia would yet unite in a partition of Poland. We have now seen this come true. Coming on top of the disastrous collapse of our Eastern Front against Germany it has caused the apprehensions of many people to race on to the dreadful prospect of a union of forces between Soviet Russia and Nazi Germany—the red and the brown Bolshevisms—which would keep us fighting for years. Some, considering the new Russo-Jap armistice and the reappearance of the word "Axis" in the Italian press, even speak of a coalition of all the "powers of evil," Germany, Russia, Japan and Italy.

The moment is gloomy. (It is the uncertain terrors which are always the worst; "if only we knew what Russia would do," I overhear people saying.) I don't pretend to know the exact answer to this baffling problem. But I suggest that if Russia may be working with Germany at the moment in a way which runs counter to our war effort, it is still a long way from that to throwing her whole resources in on Germany's side. As The Front Page pointed out some weeks ago, if Berlin were to accept and come to rely on such Soviet aid it would have to pay the price, on penalty of withdrawal of supplies, of dictation of policy from Moscow. Are the Nazis ready for that?

Conversely, for that aid to be quickly and effectively brought to bear, German engineers would have to re-organize Russian industry and transport. Are the Soviets liable to tolerate any such Nazi invasion of key posts? The only condition under which close collaboration is possible is that the two countries should fuse their policy in complete trust as France and Britain have done. Is that possible, and could it be done in time?

Back at Brest-Litovsk

If Russia is engaged in regaining provinces which the Poles, with more exuberance than wisdom, seized in 1921, and if she goes on to reclaim Estonia and Latvia and the province of Bessarabia from Roumania, all this would be evidence of revived Russian nationalism, even imperialism. Russian nationalism has no reason to love Germany. In fact it is bound to regard her as its worst enemy.

The reappearance in the news of a certain hyphenated place-name in Eastern Poland is of more than passing interest here. The Germans have arrived in Brest-Litovsk and the Russians are headed that way. The Soviets are not likely to have forgotten what happened the last time they met there. The Soviet emissaries arrived with naive faith to treat with the Germans on a basis of "no annexations and no indemnities." Before the negotiations were finished the Germans had resumed their forward march and imposed on the Bolsheviks at the pistol point a "peace" which stripped Russia of 34 per cent of her population, 32 per cent of her agricultural area, 54 per cent of her industry and 89 per cent of her coal mines, and placed the Germans within eighty miles of Petrograd and one hundred of the Volga.

Is it likely that the Soviets have forgotten Brest-Litovsk, the invasion and plundering of 1918, the

blatant doctrine of "Mein Kampf" regarding the conquest of new soil in the East, and Hitler's public open covetousness of "the wealth of the Ukraine and the Urals," just because of Ribbentrop's signature on a piece of paper—the same Ribbentrop who was the chief engineer of the Anti-Comintern Pact? It seems to me more probable that Russian forces are moving to forestall any further German encroachment than to embrace the recent arch-enemy.

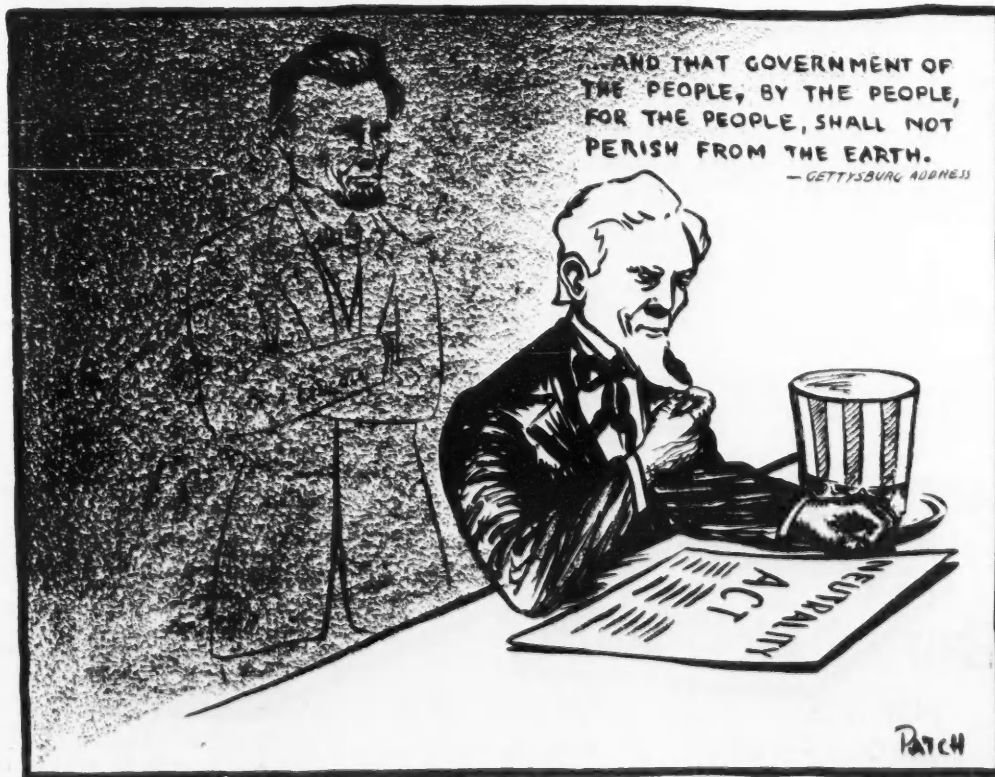
I think the baffling nature of Stalinist policy is due, besides the obscure character of its author, to its crossed threads of Marxist internationalism and Russian nationalism. Marxist-Comintern dogma holds that a new capitalist war is the surest and quickest way to bring Europe to Communism. Russian nationalism is deeply suspicious of Anglo-French policy, displayed at Munich, as trying to clear the way for Germany to the East. Stalin may feel he has served both by getting a big war going among the "capitalists," and turning the tables on Chamberlain and Daladier by sending Germany their way instead. Only Germany doesn't want to go West; she has obviously built her great fortifications there to free herself for action in the East. As a Russian Nationalist Stalin, who apparently does not yet trust Britain and France to see this war through, cannot feel very happy over this prospect. I suggest that he is in as great a quandary and feels himself as much menaced as we do. Hence the armistice with Japan, which permits him to give full attention to developments in Europe.

Marx Doesn't Fit In

In support let me quote from a small book, "The First Blow," which was officially distributed to the Red Army last May and reviewed in *Pravda* on the 21st of that month. It pictures to the Russian soldier the likely development of the next war. The "fascist" Daladier Government will at the outset betray its Russian ally, accept German assurances and stay at home. The Nazi air force will then attack Russia, but will be destroyed. The Red air army will retaliate by completely wiping out German industry. The masses will rise in Paris and Nuremberg and declare Popular Front Governments in France and Germany. Thus a Soviet Europe will arise without a Russian army having left the U.S.S.R.

If this represents Stalinist policy and hopes, while it may not show much confidence in our side, still it is hardly an expression of friendship for Germany. Stalin may be ready to send a few supplies to Hitler by way of pouring oil on the bonfire, just to make sure that it consumes the "capitalist" régimes properly. He might be willing to give his full support to a Communist régime in Berlin, only such a régime is unlikely to make its appearance until after Germany's defeat—if it does then. But what possible reason is there for Stalin to further the victory of a militarist Germany?

And even if I be wrong at every point and Russia actually be ready to place her resources at Germany's disposal today, I don't believe that there is time for the latter to organize them before she is swept to defeat in the West. For let us not forget that if the situation on the Eastern Front gloomily resembles that of 1917, the situation on the Western Front bears a more hopeful resemblance to the same period.



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Best Morale Will Win War

BY J. A. STEVENSON

WHATEVER be the outcome of the struggle in Poland it is plain the decisive military struggle of the war will be fought out on the frontier between France and Germany, on both sides of which large bodies of troops have already been massed. The French and their British allies evidently intend that such devastation as occurs from the fighting is not to ruin a large area of the French countryside as it did in the last war, but that German soil is to get a taste of it; for they have taken the offensive and have already advanced a certain distance into German territory. The great difference between this war and the last is that both sides start with a formidable line of fortifications built at enormous expense as their base of operations, and before the coming winter is over there will probably be a bloody test of the respective strength and efficacy of these barriers.

The French are pinning their faith on the fortified barrier known as the Maginot line which consists of a chain of forts and blockhouses stretching from Lille southward along the Belgian frontier, then through north-eastern Lorraine and continuing along the west bank of the Rhine to the Swiss frontier. It is not intended as an impregnable obstacle to invasion but rather as a rampart, whose defenders can gain time for the mobilization of the nation to be completed. The French general staff became convinced of the value of good concrete fortifications when they found on reoccupying the chief forts at Verdun in 1917 that all the gun turrets and most of the concrete shelters were intact after having withstood a prolonged bombardment by heavy artillery. So they applied the lessons learnt there in the construction of the Maginot line, and took into consideration the increase in the penetrating power of modern shells in deciding upon the thickness of the layers of concrete and the armoured plate.

Tests of heavy artillery fire were made upon all the materials used, and the protection in the forts was made thick enough to withstand the impact of three shells striking at the same point. Safeguards against gas attack were also provided by a special air-conditioning process whereby the atmospheric pressure inside the forts is always kept slightly higher than outside.

Forts Like Battleships

Each fort has its guns mounted and their fire controlled under the same system as is used in battleships; the gunners work "blind" in armoured turrets on a battleship and lay their guns by the indications on a dial controlled by an officer who, in a separate armoured chamber, surveys the field of fire through a panoramic telescope embedded in the armor plate. The field of fire for each turret is carefully plotted out on maps so that the control is remarkably accurate, and duplicate telephone lines, each protected by more than 20 feet of concrete, maintain communications between and inside the forts, the main telephone exchanges being 150 feet underground. An intricate network of subterranean galleries connects the casemates with the living quarters, the stores for ammunition and the power stations, all of which are far below the surface; the galleries, moreover, are divided into "attack-tight" compartments by armor-plated doors covered by interior gun chambers, and as a result penetration of a fort by the enemy will not mean its complete capture.

The gaps between the forts are filled by a string of blockhouses, each manned by a detachment of about a dozen men armed with anti-tank and machine guns, whose duty it will be to hold out for at least three days: when hard pressed these little garrisons can retreat through a covered passage to a shelter separate from the blockhouse and continue resistance from it.

Naturally artillerymen and engineers form the chief elements in the garrison of the Maginot line, but there are also other units of varied types suited to each sector. All the units of the frontier garrison have territorial names instead of numbers, and their members wear khaki berets with a badge depicting a concrete casemate on a field of barbed wire. They spend half of each month on garrison duty in the forts and blockhouse and the other half in barracks behind the line.

The French general staff are well satisfied with the defensive power of the Maginot line, and along the Franco-Italian frontier similar fortifications have been constructed to reinforce the natural obstacle of the Alps, but they are not so elaborate, since the nature of the passes through the Alps in this area renders an invasion of France by Italy much more difficult than an invasion of Italy by France. So thanks to the strong frontier fortifications the French army can keep a large proportion of its strength mobile and use it either to reinforce any section which the enemy is threatening or to launch attacks.

Westwall is Different

The Germans on their side are resting their hopes on the Siegfried line, or the Westwall as it is now popularly known in Germany. It is not in its construction a replica of the



WAR HASTENS THE HARVEST. Equally important to military measures of protection is the ensuring of adequate supplies of all kinds in England. Here is a recent busy scene on the estate of Lord Tredegar at Newport.

Maginot line, but is built on a quite different plan. There are some heavily fortified structures at intervals, but fundamentally it is a military position of great depth and considerable elasticity. Its average depth is said to be fifteen miles and in some sectors it attains a depth of thirty miles. On the front nearest France there is a ring of delaying outposts which the French are apparently engaged in capturing, and behind them is a series of stronger interlaced defensive links; for miles the whole terrain is studded with little forts, machine gun nests, and what were known in the last war as strong points—often fortified farmhouses. Throughout the whole fortified area there is a first-rate road system, along which artillery, tanks, and mechanised units can be moved with great rapidity.

Apparently the German tactics will not be to tie up any large number of troops in any particular stronghold, but to be ready for swift and decisive counter-attacks upon any ground taken before the captors have time to consolidate their position in it. So observers have noted that while the front areas of the Westwall are comparatively thinly held, large bodies of troops are kept ten or twelve miles behind it and the transportation system will enable these to be moved up very swiftly to any threatened point. The calculation is that this plan of tactics will prevent any vital ground being permanently yielded to the enemy and will minimize losses.

Stories have been disseminated to the effect that the hasty construction of the fortifications of the Westwall and the poor quality of the material which was used in them have now revealed many defects and weaknesses in it, and there was a report that floods in the Rhine Valley had made a part of it temporarily untenable. There may be some truth in these stories, but the basic plan of the Westwall is such that its fundamental strength might not be greatly affected by the use of inferior concrete and armoured plate.

German Strategy

The strategy of the Germans is reasonably clear. They count upon the Westwall to hold back the French and British armies until it is possible to move reinforcements from the East and make good the superiority in numbers which the Allies at present must possess on the Western front. Captain Liddell Hart, who is recognized as the most authoritative military critic in Britain, maintains that the power of the defensive has been so greatly increased since the last war that a numerical superiority of at least three to one is required for an attacking force to make any real gains and hold them against the inevitable counter-attack. So if the Germans secure time to bring the number of troops defending the Westwall even up to one-half of the joint strength of the Allied forces, their chances of a successful resistance behind it will become reasonably good.

For the time being the British and French have refrained from any aerial bombardment of German cities and towns because they do not want to forfeit American goodwill by being the first to begin this type of warfare, but there is an implication in the speech delivered by Lord Halifax in the House of Lords on September 13 that in view of the nature of German aerial activities in Poland against unfortified towns they will not hold their hands much longer. Then, in the event of aerial warfare taking the form of a reciprocal bombardment of all areas, whether fortified or not, which can be reached, the war is liable to resolve itself into a test of the morale of each side and their capacity to face without flinching the terrible losses of life among the civilian population and a tremendous ruination of property; and in this grim test the democratic peoples will probably prove of sterner mettle than the subjects of a tyrannical dictatorship which must have many enemies within its own country.

But if the morale of the whole German population is reflected in the morale of the German army, then it is possible to entertain some doubts about its strength. *The New Republic* in its issue of September 13 published a most illuminating letter written by a German army officer to a friend now in exile, and it took a decidedly gloomy view.

"According to my opinion," he wrote, "the German army cannot be

compared with the old imperial army despite its tremendous strength. The boundless devotion of the imperial army to its supreme Commander, the Kaiser, and the profound belief in the cause one was fighting for and in the moral integrity of the leadership do not exist. Our conscripted army is numerically tremendous. Its equipment is as modern as possible. But only war can decide whether reserves of ammunition, food, and so on are sufficient...."

Later he proceeds: "I differ in my views from most officers of lower rank because they are quite optimistic about the chances of Germany to win the next war. I myself, however, like most of my friends (active and retired officers), am rather gloomy. You will know that the recent reshuffle in the Supreme Army staff has something to do with the scepticism of many officers of higher rank."

"The struggle which once existed between the army and the S.A. has long been decided in favor of the army. But the Party (Nazi) watches closely the appointments of new officers from the point of view of party interests. I am a soldier of the old school and cannot understand young Nazi officers who are absolutely cynical and really believe that everything is justifiable provided one is powerful enough. These young officers are inclined to exaggerate the victories we celebrated after the march into Austria and the occupation of Prague. They dream of being so strong that no power in the world can resist them... Those among us who fought during the World War do not share such optimism. We need the conviction that we have to defend our fatherland, that the war really is inevitable and morally justified."

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France's Three Million Foreigners

BY JEROME WILLIS

FRANCE is gradually tightening up the control of foreigners who have flowed over her frontiers ever since the Great War. Soon they may be asked to do their period of service with the French army or get out.

This feeling is growing throughout the country, and is daily gaining prominence in the press. It is not an indication that France is growing hostile to foreigners, but rather a feeling that they should be prepared to bear the burden of defending the country that has given them asylum. Many of them work side by side with Frenchmen who have to give two years of their lives to service in the army. A recent estimate showed that one in every five of the population of Paris is a foreigner.

Though this is no new problem it has not really come to the fore until within the last twelve months. But gradually it is being realized that even without the Spanish refugees there are over three million foreigners in the country. France has become such a natural asylum for refugees that no one seemed to think of the future and how they should be assimilated.

Rumblings of official discontent with the problem were seen in the decree laws issued just before the King's visit last year. Stricter regulations were imposed, and a large number of undesirable rounded up; then the question was allowed to lie fallow again.

But the general mobilization brought things to a head. In many country towns and villages there were violent quarrels, and in some cases small-scale riots, because of the anger French reservists felt on their departure for war, while the town or village was full of men of military age, who owed no legal duty to France, despite the fact that they and their parents had enjoyed asylum there for many years.

A Million Foreigners

In 1918 the French press started to make investigations, and it was found that there were nearly a million fit men of military age, but of foreign nationality within the frontiers.

Gradually the campaign gathered force, and was given an extra impetus at the time Italy unofficially launched her "claims" on Nice, Savoy and Corsica, when it was realized that Italians were the largest single community among France's foreign population. And it was found that they were particularly numerous round Nice and Savoy.

A number of prominent Frenchmen started asking each other what was to be done about the problem. If we are to be forced into war with Italy, what is to be done with the million Italians here, they asked?

The Radical journalist and writer, M. Pierre Dominique, supplied the answer by suggesting that those who had adopted France as their country of residence should be asked to express their gratitude in practical terms. M. Marchandau, the Minister of Justice, took up the suggestion and has submitted a draft decree to M. Daladier which will face foreigners who have resided in France for more than five years with the alternative of becoming naturalized as French citizens or being expelled.

Becoming naturalized as a French citizen involves conscription for those under thirty years. It is, in fact, because naturalization offers very little other "benefits" that foreigners who have lived in France for many years have rarely troubled to apply for naturalization.

Contrarily naturalization as a British subject carries the prime benefit of being freed from the laws of the applicant's country of origin, and since this is usually a country where conscription is in vogue, it means that a foreigner who becomes a British subject is freer than he would be in his own country. Also he has the whole of the vast British Empire open to him, and since this covers large territories of temperate climate still in course of development, it is a greater inducement than to be allowed to travel and seek work throughout the French Empire, where the country is mostly tropical or sub tropical.

Much Naturalization

Nevertheless during the past summer there has been a terrific increase in the number of applications for French naturalization, and this is, no doubt, due to Count Ciano's "come home" call to Italians abroad. For the applications come, for the most

part, from Italians who have been living in France for many years, have married French women, and are unwilling to exchange their lot for what might be offered to them in Italy.

It must, however, be remembered that Italians are among the oldest foreign communities in France. They have become part of the country itself, particularly in the South, and though some even in the second generation have not become naturalized, they are in fact, more French than Italian. The greater part of the present Italian population of France are refugees from the Fascist regime in Italy.

In the Paris region alone there are 130,000 Italians employed in the building trade; 20,000 in the same trade work in the Rhone and Isere regions; 40,000 in the Savoy region, near the Italian frontier, are working on electrification schemes; 150,000 are employed in the iron mines of Lorraine. And in Marseilles and its immediate environs are some 300,000 working in cafes, hotels, or as laborers in the country districts. In the Toulouse region there are small towns and villages wholly inhabited by Italians.

After the Italians among France's foreigners come the Poles. While the former number about a million, the latter are not more than 400,000. The Poles in France are almost exclusively mine workers. White Russians, Germans, Austrians and Czechs make up the rest of France's foreign population. The British and American com-

munities are, for the most part, key men employed in British or American enterprises, or residents with private means, whose spending power is of definite benefit to France as a whole. The peculiar point which has been brought to light regarding France's

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But please remember
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My lips unmoved in smile,
Don't think it strange;
But know 'tis only for a little while
The weather in my heart has blown
to 'Change' . . .

A. W. GEO. HALL.

foreign population during recent weeks is that France previously was not anxious to offer them naturalization, nor in fact to allow them to enter the army, though many had expressed their willingness to do their period of service with the colors. They were told curtly that the Foreign Legion

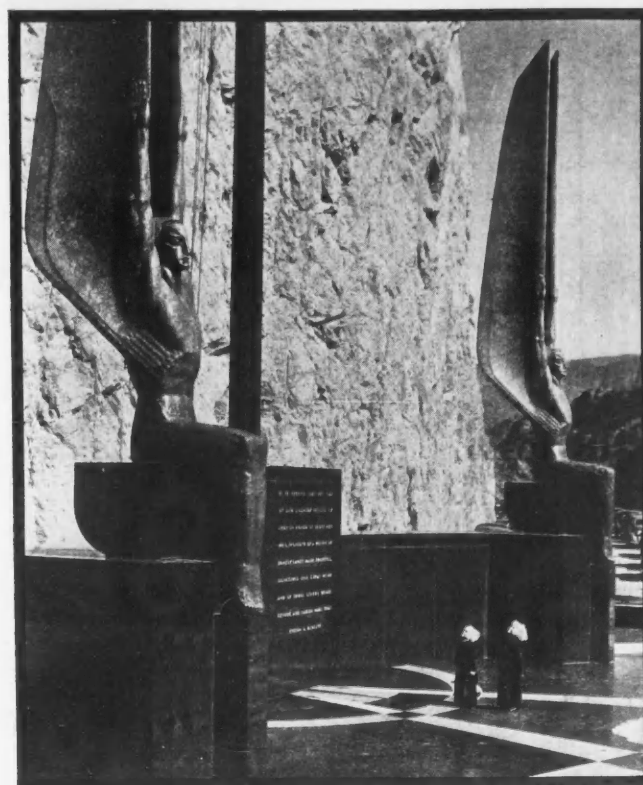
was for foreigners, and the French army for French citizens.

An exception was made for those foreigners possessing Nansen passports (stateless persons, for the most part White Russians) who were allowed to do their period of service with the French army.

Now M. Marchandau's project to face foreigners with the alternative of being expelled or becoming naturalized has caused a lot of discussion. While its advocates point out that the measure should have a weeding out effect among the desirables and the undesirable, army officials declare that they are not anxious to have the French army become a penitentiary for immigrants.

To arm a million foreigners by forcing naturalization on them does not make them French citizens in fact, say the army. If the great majority of France's foreign population is anti-fascist, or pro-fascist, like the White Russians, and are conscripted, it would mean that a large portion of the French army would only be prepared to fight a war under certain conditions. France's foreign policy thus becomes indirectly controlled by what sections of the army think.

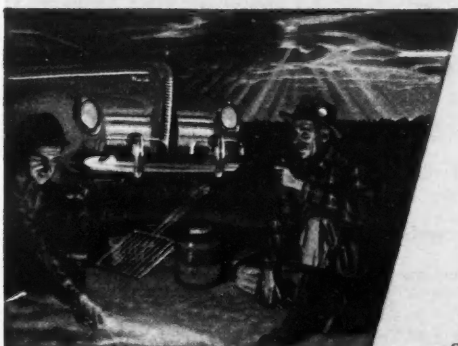
The advocates of the naturalization bill, however, reply that it is better to have France's foreign population under direct control, particularly military control, which has a knack of curing ideological tendencies, than to allow them to be free of the duties that all French citizens have to fulfill to live under their present regime of liberty, equality and fraternity.



TWO SMALL CITIZENS measure with their gaze the height of the flagstaff on Boulder Dam. The inscription on the centre panel reads "It is fitting that the flag of our country should fly here in honor of those men who, inspired by the vision of lonely lands made fertile, conceived this great work and of those others whose genius and labor made that vision a reality." The impressive figures are the work of sculptor Oskar J. W. Hansen.



WORLD'S ONLY CAR with Weather Eye Conditioned Air System revolutionizes winter driving. Completely Automatic! Tune in the comfort you want; get unchanging June-like warmth. Perfect fresh air—dustless, draftless!



EXCLUSIVE NASH ENGINE not only gives you 15 to 50 MPH pick-up in less than 13 seconds, high gear . . . it's also a Gilmore-Yosemite economy winner, with a record of 21.25 miles to the (U.S.) gallon. Equivalent to 25.5 miles per the Imperial gallon.

Today... Adventure Rides The Road Again

IF YOU ONCE sailed the Seven Seas with Long John Silver . . . if you've been left with restless feet and a thirst for excitement—you'll be down today to watch the 1940 Nash come in.

You'll see a flash of silver . . . lines as rakish as a clipper ship's. Something tells you—you're going on a new adventure. Your first Arrow-Flight Ride!

You fit into a seat that's soft as a cloud. You aim that flashing prow at a point on the far horizon. Three silent flicks of a finger, and you're away like a demon possessed.

There's a faint click, and your engine seems to sleep, yet the road races by in a faster tempo. It's that Fourth Speed Forward—but wait . . . there's a new thrill in the throttle.

Just "gun" it, and you pass that car ahead in a terrific sprinting speed! It's Nash's new automatic Overtake.

Suddenly a pot-holed road is upon you. Desperately, you grab the wheel—but—nothing happens. No tugging—no bobble—no sway. Even on slippery gravel, guided with a finger, your Nash

speeds to its mark, true as an arrow, silent as a ghost. The whistle of wind—the sting of tires, even the roar of the engine—are gone.

Five miles of an Arrow-Flight Ride, and—chances are—you'll want to keep right on going. And why not?

You have a convertible bed to sleep in . . . and new Weather Eye magic, for fair sailing in even a Labrador blizzard . . . new Sealed Beam lights to turn night into glareless day . . . and luxury of appointments no car ever offered before!

And if you follow Adventure to the ends of the earth, your Nash will still bring you back! It's built that way.

There is no claim made for the 1940 Nash that you won't prove with your own eyes and ears and hands.

But—we warn you—you'll come back saying, "I'm through with humdrum driving. I'm going to trade my old car for a 1940 Nash, and start having fun!"

(And that's easy—with prices amazingly near the lowest; and high trade-in value.)

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IT'S THAT NEW

NIGHT AND DAY, you're rested in a Nash. First car with new individual soft coil springs in front—extra long, synchronized springs in combination with giant shock-absorbers in back. Continent-wide service, with 1800 Nash dealers in United States—280 dealers in Canada—centrally located parts depots across the Dominion.



ROYAL HISTORIAN. Major Gustave Lanctot, Dominion Archivist, who will be the official historian of the Royal Visit to Canada.

—Photo by Karth, Ottawa.

FOREIGN EXCHANGE CONTROL BOARD IMPORTANT NOTICE

As announced by the Minister of Finance, a Foreign Exchange Control Board has been established by Order in Council under authority of the War Measures Act.

The following are the main provisions of the Order:

1. Any resident of Canada having in his possession, ownership or control, any foreign exchange, bills of exchange, or any other forms of foreign exchange, having a total value of more than \$1,000., must declare such foreign exchange to the Board forthwith. Forms for this purpose can be obtained from authorized dealers, that is, from Canadian branches of chartered banks. Any foreign exchange acquired subsequently is to be sold to an authorized dealer.
2. In addition, any resident of Canada having in his possession, ownership or control any bonds, debentures and similar securities not payable exclusively in Canadian dollars, and shares in a Company whose head office is outside Canada, having a total value of more than \$1,000., must declare them to the Board forthwith. Forms for this purpose may also be obtained from any authorized dealer.
3. No person shall buy or sell or deal in foreign exchange except through the medium of authorized dealers at rates to be announced by the Board, or through the Post Office which has been appointed a special agent of the Board to sell foreign exchange for small amounts.
4. No resident may transfer any Canadian dollars to a non-resident, in excess of \$100. in any month, without first obtaining a permit to do so through an authorized dealer.
5. No exports or imports of any kind, including shipments of currency, securities and foreign exchange by mail or parcel post, may be made without a licence. Licences for the export of goods and for the import of goods, currency, and securities will be issued by Customs officers. The Board is under no obligation, however, to sell foreign exchange for payment for property imported. Licences for the export of currency, securities and any other property except goods, may be issued only by authorized dealers. Articles to be sent out of Canada through the mails should be taken direct to a post office; otherwise they will be subject to seizure in the absence of evidence that a licence has been obtained or that the shipment is exempt from licence, as the case may be.
6. Special provision has been made to avoid inconvenience to visitors from the United States or abroad. They may bring into or take out of Canada, without licence, their automobiles, personal effects, and in addition, other goods to a value not exceeding \$100. in any month. They may also take out of Canada any amount of money not greater than the amount brought in, provided that, if the amount to be taken out is more than \$100., they should have obtained a certificate of the amount brought in from the Collector of Customs at the point of entry.
7. Provision has also been made for ordinary transactions of the Canadian public, e.g.
 - (a) Travellers may take out of or bring back to Canada their automobiles, personal effects, and in addition money not in excess of \$100. in any month without licence.
 - (b) Any person may import, in any manner, goods to a value not exceeding \$100. in any month without licence.
 - (c) Any person may, without licence, export by mail or parcel post gifts up to a value of \$25. in any month.
 - (d) Any person may purchase, through an authorized dealer or the post office, foreign exchange not exceeding \$100. in any month without a permit.

SPECIAL NOTICE TO EXPORTERS

1. Under the Order no person shall export any goods or other property from Canada except under and in accordance with the terms of a licence granted by the Board.
2. Licences for Export of Goods have been established as follows:
 - (a) **General Licence:** An exporter of goods doing a regular export business of such nature that it would be difficult to obtain a Particular Licence in advance of each export may apply direct to the Foreign Exchange Control Board, Ottawa, for a General Licence on Form A.
 - (b) **Declaration of Goods Exported under General Licence:** Form B, must be completed by the exporter after each export of goods under a General Licence, and submitted to a Collector of Customs and Excise.
 - (c) **Particular Licence:** Any exporter not holding a General Licence must, in respect of each exportation of goods, apply for a Particular Licence in Form B through a Collector of Customs and submit it to the Collector of Customs at the port of export.
3. Where no foreign exchange is to be received for an export, the exporter must, whether holding a General Licence or not, obtain a permit on Form D, through an authorized dealer in advance of exportation.
4. Licences for Export of Property other than Goods: Any person desiring to export currency, securities or other evidences of ownership or indebtedness must apply for a licence on Form K in advance of export, except in the case of the export of foreign exchange or Canadian currency for travel purposes when Form H must be used. In both cases the application must be made through an authorized dealer.
5. No licence or permit is required for the following exports:
 - (a) Goods or other property accepted for export by a transportation agency prior to the date on which the Order came into force.
 - (b) Travellers' samples.
 - (c) Goods taken out of Canada by and with a non-resident to a value not exceeding \$100. in any month.
 - (d) Personal effects belonging to and required by any person leaving Canada.
 - (e) Gifts to a value not exceeding \$25. sent from Canada by mail or parcel post by any person in any calendar month.
 - (f) Canadian currency and foreign exchange not exceeding \$100. by any person in any calendar month.
 - (g) Any non-resident may take with him on leaving Canada Canadian currency or foreign exchange not exceeding the amount brought into Canada by such non-resident when entering Canada.
6. Disposal of Foreign Exchange: It is a condition of every licence to export that the proceeds in foreign exchange shall be declared and offered for sale to the Board through an authorized dealer as soon as it is obtained; for which purpose Form C must be used.
7. Exports by Mail or Parcel Post: Licences and permits are required for exports by mail or parcel post. In the case of exports of goods, application for a licence in Form B must be submitted to the Postmaster at the time of mailing. In the case of other property, a licence in Form K must be obtained in advance from an authorized dealer and surrendered to the Postmaster. A permit in Form D must also be obtained in advance in the circumstances mentioned in Paragraph 3 above.
8. Exports to Newfoundland: All the requirements mentioned above apply except that in the case of an exportation of goods to Newfoundland from which no foreign exchange is to be received no permit on Form D is necessary.
9. The forms referred to herein may be obtained from the Board in Ottawa, or as follows:

Forms A and B—from Collectors of Customs and Excise or authorized dealers.
Forms C, D, H, and K—from authorized dealers.

SPECIAL NOTICE TO IMPORTERS

1. Under the Order, no person shall import any goods, securities, or other property into Canada, except under and in accordance with the terms of a licence granted by the Board.
2. Licence to Import: Applications for licences to import goods or other property must be made on Form E through the Collector of Customs and Excise at the port of entry, except in the case of a non-resident bringing into Canada Canadian Currency or foreign exchange when Form P must be used. This applies to imports by mail or parcel post as well as to imports made by other means.
3. An importer desiring foreign exchange to pay for imports must apply for the same on Form F through his authorized dealer. If payment for an import is to be made in Canadian dollars the importer must make an application on Form G through his authorized dealer for permission to do so.
4. No licence or permit is required for the following imports:
 - (a) Goods or other property which has been shipped to Canada from the country of export prior to the date on which this Order came into force.
 - (b) Travellers' samples.
 - (c) Goods not exceeding a value of \$100. by any person in any month.
 - (d) Personal effects belonging to and required for the use of any person entering Canada when brought in by and with such person.
 - (e) Canadian currency and foreign exchange not exceeding \$100. brought in by any person in any month.
5. Imports from Newfoundland: All the above requirements and exemptions apply, except that no permit on Form G is required in the case of payment for imports from Newfoundland in Canadian dollars.
6. The various forms may be obtained from the Board in Ottawa, or as follows:

Form E—from Collectors of Customs and authorized dealers.
Forms F and G—from authorized dealers.
Form P—from Collectors of Customs.

Anyone breaking the law as established by the Foreign Exchange Control Order will be subject to heavy penalties by way of fine or imprisonment.

Anyone likely to be affected by this Order should read the provisions of the Order itself and the Regulations of the Board. Further information may be obtained from chartered banks or customs officers, or enquiries may be directed to the General Secretary of the Foreign Exchange Control Board, Ottawa, or to the Bank of Canada, Ottawa.

THE NATION

No "Rich Man's War" for Canada

BY R. W. BALDWIN

QUIETLY, so quietly that he was almost unnoticed, a second Montreal business man has appeared on the Ottawa wartime scene. There had been some haphazard prediction that this visitor might be expected, but the first and in fact the only intimation of his arrival was a notice on the bulletin board of the Rideau Club announcing that Gordon W. Scott, C.A., "chief advisor to the Minister of Finance," had been extended visitor's privileges.

Parliament was still in session and passing a bill for the most powerful and dictatorial portfolio in the history of the Dominion, a Ministry of Munitions and Supply. At the same time the Prime Minister was explaining that this power was being held in reserve, that for the present at least, the Government would make use of its powers under the War Measures Act to set up a less omnipotent War Supplies Board. Before the week was out an official press release—the only link now between the newspaperman and the intense activities of cabinet council — announced that Gordon Scott, partner of the firm of P. S. Ross and Sons, in association with Watson Sellar, comptroller of the treasury, had been entrusted with the organization of this Supplies Board and would work without remuneration. It is probably the first time in his successful career that Mr. Scott has worked for anybody for nothing.

Enlistment of his services brings a dynamo of controlled energy and efficiency to the Government's win-the-war offensive. Fifteen minutes sitting across the desk from this keen-minded Montrealese is enough to wear the ordinary man to a frazzle. His brain works with the speed of a machine gun. And when necessary it can be as ruthlessly effective, sweeping away all obstacles in the path.

A Political Flop

As a complete flop Gordon Scott's political career is almost unrivalled. In 1930, with the financial affairs of the province of Quebec in a bit of a mess—a not unusual situation,—Premier Taschereau looked around Montreal for the best man to set them right. He not only found him but persuaded Scott to leave a lucrative business to become Provincial Treasurer, and St. James Street, who knew the man, commended the Premier's wisdom. The provincial riding of Huntingdon was opened for the new Treasurer and the by-election set for October, 1930. Scott was defeated. To some extent he may have been the victim of the first rumblings of the anti-Taschereau storm. To a large extent it was his own complete scorn of the usual methods of collecting votes. The electors had forced his resignation from the Cabinet, but Premier Taschereau was determined to save as much of his treasury as democracy would allow. He appointed his ex-Minister to the Legislative Council, where his influence on Quebec finances was felt up to the end of the Taschereau régime in 1936.

The next year, 1931, saw a general election and Scott resigned his seat in Council to contest the riding of Montreal St. George. The Taschereau Government was returned. Scott was defeated. Again he was offered and accepted his seat in the Legislative Council and closed this short chapter of unsuccessful tussles with the electorate. In Canadian business circles his name became more prominent. In politics it was seldom heard until last summer when the imminent resignation of Hon. Charles Dunning and the Refusal of Hon. J. L. Ralston to return to politics set the Government on the hunt for a Finance Minister. From certain quarters in Montreal came the suggestion that the partner of P. S. Ross and Sons be called to the federal arena.

The Business Doctor

Whether this demand would have been considered; whether the post would have been accepted; whether Gordon Scott with two strikes against him could have made a hit with the electors — these speculations like thousands of others have been thrown unanswered into the cataclysm of war. What Col. Ralston spurned as a political honor (or more truthfully as an expediency of party politics) he has accepted gladly as a national duty in the face of war time emergency. And the first man he has brought from Montreal as a lieutenant is Gordon Scott.

Depression years in Canada have brought into prominence a new type of specialist in the field of chartered accountancy, known as business doctors. They have been called in with increasing frequency as the epidemic of bad times laid one apparently healthy organization after another on its back. Among these business doctors, or perhaps they might more aptly be called business surgeons, Gordon Scott has taken a front rank. He has made himself an unrivalled efficiency expert on big corporations. If Col. Ralston and the Government were looking for a law enforcement officer to see that Canadian business put nothing over in the matter of war profits they have picked well.

Just where this man is eventually to fit into the Ottawa war time pic-

ture is still a matter for speculation. He may be jumped from one job to another. He might conceivably end up with a cabinet portfolio, but it is generally accepted that he is to be the efficiency expert behind the war reorganization of Dominion of Canada Ltd. He will be the representative of big business set to discipline big business and to enforce the Government's war time dictum: "equality of sacrifice on the basis of ability to pay."

Drastic Action

There have been several other significant highlights in the early picture of the Ralston régime, not the least among them the quick creation and action of the Foreign Exchange Control Board. It has been so quick and so drastic that it may take Canadian business a few weeks to wake up to a full realization of its immensity. Overnight a lucrative field of speculation on the New York Stock Exchange, made a hundred times more lucrative by the war time discount on the Canadian dollar in New York, has been barred completely to Canadians. Except as a matter of academic interest or for general check-up purposes Canadian brokerage houses might just as well leave blank that ample space allotted on their boards to New York quotations.

The Foreign Exchange Board has power—and it will use that power indiscriminately wherever it is in the national interest—to order the sale of any American security held by a Canadian. If Canadians want to buy American securities they have two courses open, both almost equally futile. They can apply to the proper authorities for permission to do so—a permission which will be refused almost ten times out of ten. They can attempt to smuggle across the American border sufficient cash to pay for American purchases — that is if sources in the States are willing to buy any quantity of Canadian currency without reporting it to Canadian authorities. Even if this succeeds, which is unlikely if the smuggler is dealing in any substantial sums, he is going to tie up capital and interest in the United States for the duration of the war—perhaps longer.

For the working of this machinery to protect Canadian exchange and prevent the export of Canadian capital the board has been given virtual control of all bank accounts in Canada. Free purchase of exchange by Canadians from now until the end of the struggle is limited to \$100 a month in postal notes.

No Rich Man's War

Such a measure smacks strongly of fighting the fire of dictatorship with fire. It demonstrates even more strongly the determination of Canada's war Government to eliminate all forms of war profiteering. This is going to be no rich man's war. If there have been those during the past few weeks who have been talking patriotically of Canada's place in the war and have thought in terms of a swelling bank account they might as well dismiss such illusions before the war gets any older. Not only is that bank account not going to swell appreciably, it is more likely to contract with the increasing demands for contribution to the national service. If the Government can accomplish it—and it can—the dollar-a-day man in the front line, whether he is a member of a Canadian Expeditionary Force or not, is going to get the full backing of Canada's business resources.

The first war time budget of the new Finance Minister has said all this frankly and plainly. Its actual measures were perhaps not as drastic as some had feared, but they were sweeping enough even for wartime, and it is a tribute to the war spirit of Canadian business that they have not only been accepted but welcomed. Business generally is enlisting voluntarily and co-operatively.

The Ace in the Hole

But if there is still any doubt of these things in the mind of the potential profiteer or the industrial shirker he might spend a profitable half hour in reading from Hansard the Prime Minister's explanation of Government policy in setting up the War Supplies Board and holding the Munitions Ministry as an ace in the hole. He said:

"I think the Government in taking the lesser step at the outset and taking it under the direction of one so experienced in military affairs and financial affairs as the present Minister of Finance is taking a very wise course. If it becomes necessary to establish the Department in full before Parliament reassembles, it will only be because it was desirable to have more extensive authority."

Parliament Hill has put only one interpretation on these words. Industry has been invited to give its full co-operation. Canada expects to get it but a Canada fighting for its existence is taking no chances. It is clothing its Government with power if need be to nationalize industry for the successful prosecution of the war.

Safety for
the Investor

SATURDAY NIGHT, TORONTO, CANADA, SEPTEMBER 23, 1939

P. M. Richards,
Financial Editor

Exchange Rules May Impede War Finance

BY W. A. MCKAGUE

New regulations, by suggesting that Canadian funds have to be directed into government loans, may aggravate rather than aid the problem of war finance in Canada. At the same time they will greatly disturb our huge volume of business in commodities and securities. If not enforced, they are worse than useless; if strictly enforced, they put industry and finance at the mercy of a dictatorial board.

Can we try to collect a two-billion-dollar credit, which is the amount of our investments outside of Canada, without endangering the loss of the seven billions of outside capital which is now in Canada?

HAVING been told, in the Finance Minister's budget speech just a few days earlier, that Canada was in a sound financial position and would meet a good part of war expenses out of current revenue, it must have been a shock to the average Canadian citizen to learn, last Saturday, that all freedom in the export of goods, and in the flow of securities, and in dealings in exchange for the settlement of all kinds of transactions, ceased from that day.

A couple of years ago we thought that Germany was in a bad way when it compelled its citizens to disgorge whatever they owned in Holland, Switzerland or other havens. We liked still less the advent of exchange controls in recent months in the United Kingdom and in New Zealand. Now we have a Foreign Exchange Board with the same kind of dictatorial power in Canada.

The particular significance of this will be discussed later. Let us think first about the gravity of the task of war finance, which it so clearly suggests.

Need Elastic Finance

We are embarked, somewhat blindly and, let us frankly admit with some misgivings, on a war project, the extent or outcome of which we cannot foresee. Some of the comments heard every day are painfully reminiscent of those which predicted a short war in 1914. Efforts to prophesy the course of the war are as useless as were the expert opinions of recent months, which almost unanimously agreed that there would be no war.

We do not know how long we will be at war nor who will win, nor do we know whether we will have to defend Canada or strike out at the enemy. But in respect to our economy and finance, we do know this, that we must have a plan elastic enough to meet any war requirements within our powers, and yet preserve for the future and also during the war itself, those elements of individual incentive and freedom which are the bases of our lives, and which are all that distinguish us from the totalitarian plans which we profess to abhor.

Not Better Than in 1914

It is folly to claim that our financial position is better than at the start of the last war. Then we were practically debt free, and nearly tax free except for municipal property levies and the Dominion customs and excise. Consequently the government was able to start from scratch in its campaign to expropriate the incomes of the wealthy.

Take the case of a man who had at that time, and who still has today, an investment income of \$100,000. That was a virgin field for taxation. Today over 60 per cent. of it (Dominion plus Ontario rates) is already being used for purposes other than the war. The margin still left to him provides a much leaner field. It is only out of the surplus incomes of all classes, that is the difference between their incomes and their subsistence, that the government can meet new expenses.

And while the country has more material wealth and earnings than it had in 1914, it is doubtful whether it has more surplus over and above the present debt and taxation,—the latter public charges having increased much more rapidly than has the wealth of the nation.

It is far better to recognize that our public finances are in a sorry plight, than to bury our head in the sand and hope that trouble will pass us by. We have a definite and concrete job to do, and for intelligent handling we must start with facts and not illusions.

U. S. Loan Market

It is further true that we cannot capitalize the entire war costs as we did last time. The United States market, which at the moment is the only one big enough for important foreign loans, is closed to British or French credit, and it is hardly likely

that even Canada could raise a new loan there.

The only chance for the allies in the United States market, so long as that nation remains neutral, is through the transfer or pledge of existing gold, foreign exchange or dollar securities, which procedure does not create new assets but merely transfers capital to the United States in exchange for buying power on current account in that market.

The allies have several billion dollars of assets to dispose of in this way, which is a great material resource on their side, nevertheless it means depletion of their capital.

That fund will have to be carefully conserved for buying in the United States. It cannot be squandered on the main war costs which have to be met by each belligerent out of its own economy. And this internal finance can comprise only taxation and borrowing. Expansion of production helps, but merely by widening the base for tax levies or loans. It never offsets the entire cost of a major war.

The vital question, therefore, is whether we want to borrow at all, and if so, whether and how we can borrow. Some will claim that we should pay as we go, but they little realize what that would involve, and how feebly the new war tax levies of \$62 millions stack up against the probable war costs, to say nothing of the peace-time deficit.

The Cold Fact

Others who prefer the borrowing route face the cold fact that available capital has been restricted and depleted by the existing debt, and by income and estate levies. If the man with the \$100,000 income had his capital in real estate in 1914, but now has it all in government bonds, what can you ask from him in the way of new loans? You may squeeze a little more out of his \$30,000 odd of annual income, but you cannot destroy the bonds which he has without dropping the \$60,000 which he is now repaying to you, and he is certainly immune from any kind of capital levy for a forced government loan.

What we will have, in view of the known incapacity of taxation to fully meet war costs, is a compromise between the two methods, with taxes emphasized more than ever before, and the balances not reachable by taxation enticed into the fold by loans.

The problem of war finance will therefore mean a careful appraisal of the tax possibilities, realizing at all times the fact that every tax diminishes business activity, and avoiding the error of crowding any tax rate to the point of diminishing returns, which means injury to the public purse as well as to all those who are engaged in the industry, and to consumers as well.

Tax Possibilities

The additional income and excise taxes levied last week were merely a foretaste of what must follow. One change which we can look for during a year or so, is a reduction in income tax exemptions, or else a sharp jump in the lower rates. If the government is really pressed for funds, it will not hesitate to start with 10 per cent., instead of the present three per cent., of all personal income in excess of \$1,000 for the single person and \$2,000 for the married couple. Taxes on liquor and tobacco are about as high as these commodities will stand, but judging by the stiff new impositions on tea and coffee, we might see the sugar tax restored from one cent to two cents per pound, and there might be heavy taxes on cocoa, pepper, citrus fruits, nuts and many other commodities which are no more luxuries than are tea and coffee.

All these tax possibilities will still leave the government dependent to a substantial degree upon borrowing, and faced with the fact that 50 per cent. of the funds of our banks and 30 per cent. of the funds of our life insurance companies have already been soaked up by the insatiable sponge of public finance, and that public bonds are already found in



IT'S SOUND ADVICE

similar proportions in the holdings of other institutions and of individuals. Most of all, it has been so clearly demonstrated during the past decade that the state is such an extravagant and unscrupulous borrower, and so willing to become an obstreperous bankrupt, that it no longer commands the full confidence of the people in respect to its finances.

In 1914 a government bond was rated as good as gold. In fact it had been so good, up to that time, that the average citizen felt it to be too high class for him. So when he had the chance to combine five per cent. with patriotism, he subscribed liberally. Now all those considerations have gone by the board. A majority of the nations of the world are in some kind of default on their government bonds, and while our Dominion government has continued to pay, it has, through the abandonment of gold redemption and through the crowding down of interest rates and other devices, contrived to make the

lot of the coupon clipper less happy than he was led to believe would be the case. Even without a war, it was freely admitted that his chances for the future were problematical. With a war, it becomes a certainty that some process of conversion or devaluation is in ultimate store for him.

Co-operation or Coercion

The government can approach this problem either with a view to securing the utmost public co-operation on grounds of patriotism, immediate income and marketability, or it can adopt a program of coercion. The former appears to be by far the sounder plan, and capable of realizing much more in the way of financial resources to the government, particularly if there is anything in the Finance Minister's expressed hope that a moderate degree of inflation, taking effect over the near future, would create an adequate base for

(Continued on Page 9)

War Changing Face of Canada's Industry

BY MacCALLUM BULLOCK

Once more war becomes the decisive factor in our economy and a British military and economic mission visits Ottawa to call the turn of Canada's production.

It is still too early to know just what the feverish era begun September 1 may bring. Yet major business trends are already appearing to influence, and perhaps, through trial and error, to predict the shape of things to come.

THIS first fortnight of "Get Hitler" has seen the rise of Canadian prices and money rates, the advance of stocks and decline of bonds in accordance with the world level—for 1,249,120,000 of the two billions of people around the world are now at war.

Finance capital was affected first. However, the businessman on the lower plane of production for use has seen the government of this country used as a tremendous switch for the current of our resources, and economic logic replaced for a time by a scattered succession of fast moving events.

The final pattern of our economy cannot yet be predicted, even in the round, but marked industrial trends are appearing to sketch a future from our hectic present.

Canadian businessmen, surrounded by swift enlistment of militia forces, newspaper scareheads, speculation and zooming prices, are bewildered to find that their peacetime inventories are dropping as backlogs of orders are filled, and that they have little or nothing in the way of war orders to deliver.

Where's the Boom?

Where's the war boom?—Many forget that the daily newspapers speak of government movements which will take from thirty to sixty days to function. Operating under the misconception that war orders will directly affect every industry immediately, some have even curtailed advertising and sales staffs in anticipation of easy harvest.

It cannot be stated too strongly that lack of boom is due to the delayed decision of the all-important British military and economic mission to Ot-

tawa. Members of the Mission consist of Vice-Admiral Percy Addison, Major-General R. F. Lock from the War Office, and G. B. Gordon, A. C. Boddie, and Mr. Crone. The chairman is to arrive this week.

Until the British know what they need and what Canada and the United States can supply, the government cannot order its Ministry of Munitions and Supply to purchase precise quantities of merchandise, factories cannot be retooled, nor whole industries diverted to war production. What business now exists in Canada is normal business intensified by war prices and war activity, together with orders for the supply of the militia, which was in operation and was provided with money twelve days before the main government bodies themselves.

Purchasing Commissions

As well as the Canadian Ministry of Munitions and Supply, there are to be both British and French purchasing commissions based in Canada.

Discussions by Canadians have been held with the British government to date on the manufacture of articles of communication; steel; machine tools; engineering; war specifications; power; guns; machine shops and shells; shipbuilding; component parts and tooling; and organization.

Domestic production of steel is only beginning; stores of iron ore, tin and manganese are being amassed at Sydney, Nova Scotia; in the province of Quebec; at Hamilton, Ontario; and on the Pacific coast. In spite of reports, it must be pointed out that half of this country's needs for steel will be supplied by the United States. The American industry's capacity is 2½ times that of Germany, Britain, and France combined. United States Steel Co., alone produces twenty million tons and Bethlehem Steel Co.'s Baltimore works, largest of all, produces 6,500,000 tons; rated equal in capacity to the entire German industry, or Britain and France together.

Effect on Transportation

Demand for raw materials is galvanizing Canadian transportation. More ship tonnage passes each year through Sault Ste. Marie than through the Suez Canal and, through September to Nov. 21, the greatest race against freeze-up in Lakes history is taking place. More than 327 vessels capable of bringing 2,978,800 gross tons per trip are moving. Indeed, over 9,000 seagoing, inland international, and coastwise bottoms are on the Canadian registry, with concentration of shipping shifting to the Atlantic.

Iron is crowding wheat, the usual late season cargo, to the north. The government-owned Hudson's Bay Railway now provides a second avenue of traffic to relieve the congested St. Lawrence River at a crucial time. Canada's eastern agricultural and industrial region from Halifax to Detroit has already commenced shipping. The eastern fishing, lumbering and mining region expects to commence war production this month. In the central agricultural region from Winnipeg to the Rockies, wheat is the main export. Four thousand railroads were inspected for shipment at Winnipeg over Labor Day. Cars are being graded at the rate of 1,778 a day. With a carryover of 100,000,000 bushels of wheat and a 1939 crop estimate of 449,000,000 bushels Canada hopes to feed the United Kingdom for two years.

Economic Split

Geographically, Roosevelt's declaration of neutrality and Canada's declaration of war split North America in two. Trade between the two countries follows normal north-south channels. Since war began, Canadian internal and export trade is in a west-east direction toward London. British Columbian trade is expected to slacken for lack of Pacific Coast shipping, though it may be partially maintained by orders from the expanding Pacific northwest of the U.S., and by railway shipment. Military construction of interest to the U.S., such as B.C.'s north-south provincial highway, is to be completed if necessary with U. S. materials.

A second main trade movement, (Continued on Page 12)

THE BUSINESS FRONT

Business as Usual

BY P. M. RICHARDS

IN THE hurly-burly of 1914-1918, amid air-raids and the confusion incidental to waging a wholly unexpected "war of the world," British business men hung out signs which said laconically "Business as Usual." To the public these signs meant more than that their hangers-out were merely sitting at the receipt of custom as usual; they signified that Britain was carrying on, calm and undaunted.

"Business as Usual" might be a good slogan for Canadian business today—a sort of secondary slogan. The first essential is, of course, to organize the national system for war. Therefore military needs must take precedence over civilian needs. But also very important is the need for keeping our business and economic system as intact and sound as possible.



Obviously this is much more likely to be accomplished if producers and distributors maintain normal relationships with consumers than if they do not.

This has reference to the fact that in one or two cases where supplies of certain products have been temporarily exhausted owing to excess buying by hoarders, the producers of these goods have halted their normal sales effort, feeling that there is no sense in spending money to create public demand, when abundant demand already exists for all the goods they can produce.

And in the war period ahead the same thing is likely to be done by manufacturers who, having turned part of their productive capacity over to filling war needs, know that they will have no difficulty in disposing of their limited normal production, even without any particular sales effort.

This is a very mistaken policy, for it endangers the whole of the investment in consumer good-will built up over, perhaps, a considerable period of years.

A Costly Error

Many firms, including some who should certainly have known better, made this error in the last war. They stopped, or greatly reduced, their customary outlays for advertising and other sales effort, having all the business they could take care of anyway. What happened? After the war, when war business had stopped and they needed the widest-possible markets for their normal peace-time production, these companies found that they had lost ground and could not recover it. The concerns which forged ahead were those which had continued to build up

public good-will toward themselves and their products, even in the war years when they had had no difficulty in keeping their plants busy.

In the flurry of organizing for this new Great War, there may be a tendency to overlook the fact that, in thousands of communities across Canada, business is actually going on as usual in one very important respect—which is that consumers are continuing to consume in precisely the same way that they are in the habit of consuming.

Public purchasing power will be affected by the war, of course. The cost of living is already rising and is likely to rise further. While wages, and some salaries, will reflect this rise in time, they are likely to lag behind it. This obviously means some lessened purchasing power for all recipients of more-or-less fixed incomes. But against this, and much more than offsetting it, is the new purchasing power to be created by vast government spending for war purposes, by the great increase in industrial activity, and the virtual elimination of unemployment. Everywhere working staffs are being increased and new industries are springing up; thousands upon thousands of men and women are ceasing to be a burden on the national economy and are instead becoming earners and spenders.

The Coming Boom

Factors other than the war itself are making for an industrial boom. Chief among them is the existence of probably the greatest accumulation of human wants in history. For ten years, ever since the 1929 crash, the people have been doing without things they wanted and needed. Individual and corporate and community needs have been left unsatisfied. Now, with industry again active and furnishing employment for all who can take it, the process of supplying these wants will begin.

Civilian consumers may have to do without some of the things they are accustomed to having, when the plants of the producers concerned are busy on war production. But probably there will be few actual deprivations; somebody will arise to supply the wanted goods, though it may not be the customary supplier.

Of course the national war effort comes first. But, granting precedence to that, business men may well determine that attention to production for war shall not result in the abandonment of valuable markets, built up at great cost and effort over a period of years.



FOREIGN EXCHANGE CONTROL BOARD IMPORTANT NOTICE

As announced by the Minister of Finance, a Foreign Exchange Control Board has been established by Order in Council under authority of the War Measures Act.

The following are the main provisions of the Order:

1. Any resident of Canada having in his possession, ownership or control, any foreign exchange, bills of exchange, or any other forms of foreign exchange, having a total value of more than \$1,000., must declare such foreign exchange to the Board forthwith. Forms for this purpose can be obtained from authorized dealers, that is, from Canadian branches of chartered banks. Any foreign exchange acquired subsequently is to be sold to an authorized dealer.
2. In addition, any resident of Canada having in his possession, ownership or control any bonds, debentures and similar securities not payable exclusively in Canadian dollars, and shares in a Company whose head office is outside Canada, having a total value of more than \$1,000., must declare them to the Board forthwith. Forms for this purpose may also be obtained from any authorized dealer.
3. No person shall buy or sell or deal in foreign exchange except through the medium of authorized dealers at rates to be announced by the Board, or through the Post Office which has been appointed a special agent of the Board to sell foreign exchange for small amounts.
4. No resident may transfer any Canadian dollars to a non-resident, in excess of \$100. in any month, without first obtaining a permit to do so through an authorized dealer.
5. No exports or imports of any kind, including shipments of currency, securities and foreign exchange by mail or parcel post, may be made without a licence. Licences for the export of goods and for the import of goods, currency, and securities will be issued by Customs officers. The Board is under no obligation, however, to sell foreign exchange for payment for property imported. Licences for the export of currency, securities and any other property except goods, may be issued only by authorized dealers. Articles to be sent out of Canada through the mails should be taken direct to a post office; otherwise they will be subject to seizure in the absence of evidence that a licence has been obtained or that the shipment is exempt from licence, as the case may be.
6. Special provision has been made to avoid inconvenience to visitors from the United States or abroad. They may bring into or take out of Canada, without licence, their automobiles, personal effects, and in addition, other goods to a value not exceeding \$100. in any month. They may also take out of Canada any amount of money not greater than the amount brought in, provided that, if the amount to be taken out is more than \$100., they should have obtained a certificate of the amount brought in from the Collector of Customs at the point of entry.
7. Provision has also been made for ordinary transactions of the Canadian public, e.g.
 - (a) Travellers may take out of or bring back to Canada their automobiles, personal effects, and in addition money not in excess of \$100. in any month without licence.
 - (b) Any person may import, in any manner, goods to a value not exceeding \$100. in any month without licence.
 - (c) Any person may, without licence, export by mail or parcel post gifts up to a value of \$25. in any month.
 - (d) Any person may purchase, through an authorized dealer or the post office, foreign exchange not exceeding \$100. in any month without a permit.

SPECIAL NOTICE TO EXPORTERS

1. Under the Order no person shall export any goods or other property from Canada except under and in accordance with the terms of a licence granted by the Board.
2. Licences for Export of Goods have been established as follows:
 - (a) **General Licence:** An exporter of goods doing a regular export business of such nature that it would be difficult to obtain a Particular Licence in advance of each export may apply direct to the Foreign Exchange Control Board, Ottawa, for a General Licence on Form A.
 - (b) **Declaration of Goods Exported under General Licence:** Form B, must be completed by the exporter after each export of goods under a General Licence, and submitted to a Collector of Customs and Excise.
 - (c) **Particular Licence:** Any exporter not holding a General Licence must, in respect of each exportation of goods, apply for a Particular Licence in Form B through a Collector of Customs and submit it to the Collector of Customs at the port of export.
3. Where no foreign exchange is to be received for an export, the exporter must, whether holding a General Licence or not, obtain a permit on Form D, through an authorized dealer in advance of exportation.
4. **Licences for Export of Property other than Goods:** Any person desiring to export currency, securities or other evidences of ownership or indebtedness must apply for a licence on Form K in advance of export, except in the case of the export of foreign exchange or Canadian currency for travel purposes when Form H must be used. In both cases the application must be made through an authorized dealer.
5. No licence or permit is required for the following exports:
 - (a) Goods or other property accepted for export by a transportation agency prior to the date on which the Order came into force.
 - (b) Travellers' samples.
 - (c) Goods taken out of Canada by and with a non-resident to a value not exceeding \$100. in any month.
 - (d) Personal effects belonging to and required by any person leaving Canada.
 - (e) Gifts to a value not exceeding \$25. sent from Canada by mail or parcel post by any person in any calendar month.
 - (f) Canadian currency and foreign exchange not exceeding \$100. by any person in any calendar month.
 - (g) Any non-resident may take with him on leaving Canada Canadian currency or foreign exchange not exceeding the amount brought into Canada by such non-resident when entering Canada.
6. **Disposal of Foreign Exchange:** It is a condition of every licence to export that the proceeds in foreign exchange shall be declared and offered for sale to the Board through an authorized dealer as soon as it is obtained; for which purpose Form C must be used.
7. **Exports by Mail or Parcel Post:** Licences and permits are required for exports by mail or parcel post. In the case of exports of goods, application for a licence in Form B must be submitted to the Postmaster at the time of mailing. In the case of other property, a licence in Form K must be obtained in advance from an authorized dealer and surrendered to the Postmaster. A permit in Form D must also be obtained in advance in the circumstances mentioned in Paragraph 3 above.
8. **Exports to Newfoundland:** All the requirements mentioned above apply except that in the case of an exportation of goods to Newfoundland from which no foreign exchange is to be received no permit on Form D is necessary.
9. The forms referred to herein may be obtained from the Board in Ottawa, or as follows:
 - Forms A and B—from Collectors of Customs and Excise or authorized dealers.
 - Forms C, D, H, and K—from authorized dealers.

SPECIAL NOTICE TO IMPORTERS

1. Under the Order, no person shall import any goods, securities, or other property into Canada, except under and in accordance with the terms of a licence granted by the Board.
2. **License to Import:** Applications for licences to import goods or other property must be made on Form E through the Collector of Customs and Excise at the port of entry, except in the case of a non-resident bringing into Canada Canadian Currency or foreign exchange when Form F must be used. This applies to imports by mail or parcel post as well as to imports made by other means.
3. An importer desiring foreign exchange to pay for imports must apply for the same on Form F through his authorized dealer. If payment for an import is to be made in Canadian dollars the importer must make an application on Form G through his authorized dealer for permission to do so.
4. No licence or permit is required for the following imports:
 - (a) Goods or other property which has been shipped to Canada from the country of export prior to the date on which this Order came into force.
 - (b) Travellers' samples.
 - (c) Goods not exceeding a value of \$100. by any person in any month.
 - (d) Personal effects belonging to and required for the use of any person entering Canada when brought in by and with such person.
 - (e) Canadian currency and foreign exchange not exceeding \$100. brought in by any person in any month.
5. **Imports from Newfoundland:** All the above requirements and exemptions apply, except that no permit on Form G is required in the case of payment for imports from Newfoundland in Canadian dollars.
6. The various forms may be obtained from the Board in Ottawa, or as follows:
 - Form E—from Collectors of Customs and authorized dealers.
 - Forms F and G—from authorized dealers.
 - Form P—from Collectors of Customs.

Anyone breaking the law as established by the Foreign Exchange Control Order will be subject to heavy penalties by way of fine or imprisonment.

Anyone likely to be affected by this Order should read the provisions of the Order itself and the Regulations of the Board. Further information may be obtained from chartered banks or customs officers, or enquiries may be directed to the General Secretary of the Foreign Exchange Control Board, Ottawa, or to the Bank of Canada, Ottawa.

THE NATION

No "Rich Man's War" for Canada

BY R. W. BALDWIN

QUIETLY, so quietly that he was almost unnoticed, a second Montreal business man has appeared on the Ottawa wartime scene. There had been some haphazard prediction that this visitor might be expected, but the first and in fact the only intimation of his arrival was a notice on the bulletin board of the Rideau Club announcing that Gordon W. Scott, C.A., "chief advisor to the Minister of Finance," had been extended visitor's privileges.

Parliament was still in session and passing a bill for the most powerful and dictatorial portfolio in the history of the Dominion, a Ministry of Munitions and Supply. At the same time the Prime Minister was explaining that this power was being held in reserve, that for the present at least, the Government would make use of its powers under the War Measures Act to set up a less omnipotent War Supplies Board. Before the week was out an official press release—the only link now between the newspaperman and the intense activities of cabinet council — announced that Gordon Scott, partner of the firm of P. S. Ross and Sons, in association with Watson Sellar, comptroller of the treasury, had been entrusted with the organization of this Supplies Board and would work without remuneration. It is probably the first time in his successful career that Mr. Scott has worked for anybody for nothing.

Enlistment of his services brings a dynamo of controlled energy and efficiency to the Government's win-the-war offensive. Fifteen minutes sitting across the desk from this keen-minded Montrealer is enough to wear the ordinary man to a frazzle. His brain works with the speed of a machine gun. And when necessary it can be as ruthlessly effective, sweeping away all obstacles in the path.

A Political Flop

As a complete flop Gordon Scott's political career is almost unrivalled. In 1930, with the financial affairs of the province of Quebec in a bit of a mess—a not unusual situation,—Premier Taschereau looked around Montreal for the best man to set them right. He not only found him but persuaded Scott to leave a lucrative business to become Provincial Treasurer, and St. James Street, who knew the man, commended the Premier's wisdom. The provincial riding of Huntingdon was opened for the new Treasurer and the by-election set for October, 1930. Scott was defeated. To some extent he may have been the victim of the first rumblings of the anti-Taschereau storm. To a large extent it was his own complete scorn of the usual methods of collecting votes. The electors had forced his resignation from the Cabinet, but Premier Taschereau was determined to save as much of his treasury as democracy would allow. He appointed his ex-Minister to the Legislative Council, where his influence on Quebec finances was felt up to the end of the Taschereau régime in 1936.

The next year, 1931, saw a general election and Scott resigned his seat in Council to contest the riding of Montreal St. George. The Taschereau Government was returned. Scott was defeated. Again he was offered and accepted his seat in the Legislative Council and closed this short chapter of unsuccessful tussles with the electorate. In Canadian business circles his name became more prominent. In politics it was seldom heard until last summer when the imminent resignation of Hon. Charles Dunning and the Refusal of Hon. J. L. Ralston to return to politics set the Government on the hunt for a Finance Minister. From certain quarters in Montreal came the suggestion that the partner of P. S. Ross and Sons be called to the federal arena.

The Business Doctor

Whether this demand would have been considered; whether the post would have been accepted; whether Gordon Scott with two strikes against him could have made a hit with the electors — these speculations like thousands of others have been thrown unanswered into the cataclysm of war. What Col. Ralston spurned as a political honor (or more truthfully as an expediency of party politics) he has accepted gladly as a national duty in the face of war time emergency. And the first man he has brought from Montreal as a lieutenant is Gordon Scott.

Depression years in Canada have brought into prominence a new type of specialist in the field of chartered accountancy, known as business doctors. They have been called in with increasing frequency as the epidemic of bad times laid one apparently healthy organization after another on its back. Among these business doctors, or perhaps they might more aptly be called business surgeons, Gordon Scott has taken a front rank. He has made himself an unrivalled efficiency expert on big corporations. If Col. Ralston and the Government were looking for a law enforcement officer to see that Canadian business put nothing over in the matter of war profits they have picked well.

Just where this man is eventually to fit into the Ottawa war time pic-

ture is still a matter for speculation. He may be jumped from one job to another. He might conceivably end up with a cabinet portfolio, but it is generally accepted that he is to be the efficiency expert behind the war reorganization of Dominion of Canada Ltd. He will be the representative of big business set to discipline big business and to enforce the Government's war time dictum: "equality of sacrifice on the basis of ability to pay."

Drastic Action

There have been several other significant highlights in the early picture of the Ralston régime, not the least among them the quick creation and action of the Foreign Exchange Control Board. It has been so quick and so drastic that it may take Canadian business a few weeks to wake up to a full realization of its immensity. Overnight a lucrative field of speculation on the New York Stock Exchange, made a hundred times more lucrative by the war time discount on the Canadian dollar in New York, has been barred completely to Canadians. Except as a matter of academic interest or for general check-up purposes Canadian brokerage houses might just as well leave blank that ample space allotted on their boards to New York quotations.

The Foreign Exchange Board has power—and it will use that power indiscriminately wherever it is in the national interest—to order the sale of any American security held by a Canadian. If Canadians want to buy American securities they have two courses open, both almost equally futile. They can apply to the proper authorities for permission to do so—a permission which will be refused almost ten times out of ten. They can attempt to smuggle across the American border sufficient cash to pay for American purchases — that is if sources in the States are willing to buy any quantity of Canadian currency without reporting it to Canadian authorities. Even if this succeeds, which is unlikely if the smuggler is dealing in any substantial sums, he is going to tie up capital and interest in the United States for the duration of the war—perhaps longer.

For the working of this machinery to protect Canadian exchange and prevent the export of Canadian capital the board has been given virtual control of all bank accounts in Canada. Free purchase of exchange by Canadians from now until the end of the struggle is limited to \$100 a month in postal notes.

No Rich Man's War

Such a measure smacks strongly of fighting the fire of dictatorship with fire. It demonstrates even more strongly the determination of Canada's war Government to eliminate all forms of war profiteering. This is going to be no rich man's war. If there have been those during the past few weeks who have been talking patriotically of Canada's place in the war and have thought in terms of a swelling bank account they might as well dismiss such illusions before the war gets any older. Not only is that bank account not going to swell appreciably, it is more likely to contract with the increasing demands for contribution to the national service. If the Government can accomplish it—and it can—the dollar-a-day man in the front line, whether he is a member of a Canadian Expeditionary Force or not, is going to get the full backing of Canada's business resources.

The first war time budget of the new Finance Minister has said all this frankly and plainly. Its actual measures were perhaps not as drastic as some had feared, but they were sweeping enough even for wartime, and it is a tribute to the war spirit of Canadian business that they have not only been accepted but welcomed. Business generally is enlisting voluntarily and co-operatively.

The Ace in the Hole

But if there is still any doubt of these things in the mind of the potential profiteer or the industrial shirker he might spend a profitable half hour in reading from Hansard the Prime Minister's explanation of Government policy in setting up the War Supplies Board and holding the Munitions Ministry as an ace in the hole. He said:

"I think the Government in taking the lesser step at the outset and taking it under the direction of one so experienced in military affairs and financial affairs as the present Minister of Finance is taking a very wise course. If it becomes necessary to establish the Department in full before Parliament reassembles, it will only be because it was desirable to have more extensive authority."

Parliament Hill has put only one interpretation on these words. Industry has been invited to give its full co-operation. Canada expects to get it but a Canada fighting for its existence is taking no chances. It is clothing its Government with power if need be to nationalize industry for the successful prosecution of the war.

Safety for
the Investor

SATURDAY NIGHT, TORONTO, CANADA, SEPTEMBER 23, 1939

P. M. Richards,
Financial Editor

Exchange Rules May Impede War Finance

BY W. A. McKAGUE

New regulations, by suggesting that Canadian funds have to be directed into government loans, may aggravate rather than aid the problem of war finance in Canada. At the same time they will greatly disturb our huge volume of business in commodities and securities. If not enforced, they are worse than useless; if strictly enforced, they put industry and finance at the mercy of a dictatorial board.

Can we try to collect a two-billion-dollar credit, which is the amount of our investments outside of Canada, without endangering the loss of the seven billions of outside capital which is now in Canada?

HAVING been told, in the Finance Minister's budget speech just a few days earlier, that Canada was in a sound financial position and would meet a good part of war expenses out of current revenue, it must have been a shock to the average Canadian citizen to learn, last Saturday, that all freedom in the export of goods, and in the flow of securities, and in dealings in exchange for the settlement of all kinds of transactions, ceased from that day.

A couple of years ago we thought that Germany was in a bad way when it compelled its citizens to disgorge whatever they owned in Holland, Switzerland or other havens. We liked still less the advent of exchange controls in recent months in the United Kingdom and in New Zealand. Now we have a Foreign Exchange Board with the same kind of dictatorial power in Canada.

The particular significance of this will be discussed later. Let us think first about the gravity of the task of war finance, which it so clearly suggests.

Need Elastic Finance

We are embarked, somewhat blindly and, let us frankly admit with some misgivings, on a war project, the extent or outcome of which we cannot foresee. Some of the comments heard every day are painfully reminiscent of those which predicted a short war in 1914. Efforts to prophesy the course of the war are as useless as were the expert opinions of recent months, which almost unanimously agreed that there would be no war.

We do not know how long we will be at war nor who will win, nor do we know whether we will have to defend Canada or strike out at the enemy. But in respect to our economy and finance, we do know this, that we must have a plan elastic enough to meet any war requirements within our powers, and yet preserve for the future and also during the war itself, those elements of individual incentive and freedom which are the bases of our lives, and which are all that distinguish us from the totalitarian plans which we profess to abhor.

Not Better Than in 1914

It is folly to claim that our financial position is better than at the start of the last war. Then we were practically debt free, and nearly tax free except for municipal property levies and the Dominion customs and excise. Consequently the government was able to start from scratch in its campaign to expropriate the incomes of the wealthy.

Take the case of a man who had at that time, and who still has today, an investment income of \$100,000. That was a virgin field for taxation. Today over 60 per cent. of it (Dominion plus Ontario rates) is already being used for purposes other than the war. The margin still left to him provides a much leaner life. It is only out of the surplus incomes of all classes, that is the difference between their incomes and their subsistence, that the government can meet new expenses.

And while the country has more material wealth and earnings than it had in 1914, it is doubtful whether it has more surplus over and above the present debt and taxation,—the latter public charges having increased much more rapidly than has the wealth of the nation.

It is far better to recognize that our public finances are in a sorry plight, than to bury our head in the sand and hope that trouble will pass us by. We have a definite and concrete job to do, and for intelligent handling we must start with facts and not illusions.

U. S. Loan Market

It is further true that we cannot capitalize the entire war costs as we did last time. The United States market, which at the moment is the only one big enough for important foreign loans, is closed to British or French credit, and it is hardly likely

that even Canada could raise a new loan there.

The only chance for the allies in the United States market, so long as that nation remains neutral, is through the transfer or pledge of existing gold, foreign exchange or dollar securities, which procedure does not create new assets but merely transfers capital to the United States in exchange for buying power on current account in that market.

The allies have several billion dollars of assets to dispose of in this way, which is a great material resource on their side, nevertheless it means depletion of their capital.

That fund will have to be carefully conserved for buying in the United States. It cannot be squandered on the main war costs which have to be met by each belligerent out of its own economy. And this internal finance can comprise only taxation and borrowing. Expansion of production helps, but merely by widening the base for tax levies or loans. It never offsets the entire cost of a major war.

The vital question, therefore, is whether we want to borrow at all, and if so, whether and how we can borrow. Some will claim that we should pay as we go, but they little realize what that would involve, and how feebly the new war tax levies of \$62 millions stack up against the probable war costs, to say nothing of the peace-time deficit.

The Cold Fact

Others who prefer the borrowing route face the cold fact that available capital has been restricted and depleted by the existing debt, and by income and estate levies. If the man with the \$100,000 income had his capital in real estate in 1914, but now has it all in government bonds, what can you ask from him in the way of new loans? You may squeeze a little more out of his \$30,000 odd of annual income, but you cannot destroy the bonds which he has without dropping the \$60,000 which he is now repaying to you, and he is certainly immune from any kind of capital levy for a forced government loan.

What we will have, in view of the known incapacity of taxation to fully meet war costs, is a compromise between the two methods, with taxes emphasized more than ever before, and the balances not reachable by taxation enticed into the fold by loans.

The problem of war finance will therefore mean a careful appraisal of the tax possibilities, realizing at all times the fact that every tax diminishes business activity, and avoiding the error of crowding any tax rate to the point of diminishing returns, which means injury to the public purse as well as to all those who are engaged in the industry, and to consumers as well.

Tax Possibilities

The additional income and excise taxes levied last week were merely a foretaste of what must follow. One change which we can look for during a year or so, is a reduction in income tax exemptions, or else a sharp jump in the lower rates. If the government is really pressed for funds, it will not hesitate to start with 10 per cent., instead of the present three per cent., of all personal income in excess of \$1,000 for the single person and \$2,000 for the married couple. Taxes on liquor and tobacco are about as high as these commodities will stand, but judging by the stiff new impositions on tea and coffee, we might see the sugar tax restored from one cent to two cents per pound, and there might be heavy taxes on cocoa, pepper, citrus fruits, nuts and many other commodities which are no more luxuries than are tea and coffee.

All these tax possibilities will still leave the government dependent to a substantial degree upon borrowing, and faced with the fact that 50 per cent. of the funds of our banks and 30 per cent. of the funds of our life insurance companies have already been soaked up by the insatiable sponge of public finance, and that public bonds are already found in



IT'S SOUND ADVICE

similar proportions in the holdings of other institutions and of individuals. Most of all, it has been so clearly demonstrated during the past decade that the state is such an extravagant and unscrupulous borrower, and so willing to become an obstreperous bankrupt, that it no longer commands the full confidence of the people in respect to its finances.

In 1914 a government bond was rated as good as gold. In fact it had been so good, up to that time, that the average citizen felt it to be too high class for him. So when he had the chance to combine five per cent. with patriotism, he subscribed liberally. Now all those considerations have gone by the board. A majority of the nations of the world are in some kind of default on their government bonds, and while our Dominion government has continued to pay, it has, through the abandonment of gold redemption and through the crowding down of interest rates and other devices, contrived to make the

lot of the coupon clipper less happy than he was led to believe would be the case. Even without a war, it was freely admitted that his chances for the future were problematical. With a war, it becomes a certainty that some process of conversion or devaluation is in ultimate store for him.

Co-operation or Coercion

The government can approach this problem either with a view to securing the utmost public co-operation on grounds of patriotism, immediate income and marketability, or it can adopt a program of coercion. The former appears to be by far the sounder plan, and capable of realizing much more in the way of financial resources to the government, particularly if there is anything in the Finance Minister's expressed hope that a moderate degree of inflation, taking effect over the near future, would create an adequate base for

(Continued on Page 9)

War Changing Face of Canada's Industry

BY MacCALLUM BULLOCK

Once more war becomes the decisive factor in our economy and a British military and economic mission visits Ottawa to call the turn of Canada's production.

It is still too early to know just what the feverish era begun September 1 may bring. Yet major business trends are already appearing to influence, and perhaps, through trial and error, to predict the shape of things to come.

THIS first fortnight of "Get Hitler" has seen the rise of Canadian prices and money rates, the advance of stocks and decline of bonds in accordance with the world level—for 1,249,120,000 of the two billions of people around the world are now at war.

Finance capital was affected first. However, the businessman on the lower plane of production for use has seen the government of this country used as a tremendous switch for the current of our resources, and economic logic replaced for a time by a scattered succession of fast moving events.

The final pattern of our economy cannot yet be predicted, even in the round, but marked industrial trends are appearing to sketch a future from our hectic present.

Canadian businessmen, surrounded by swift enlistment of militia forces, newspaper scareheads, speculation and zooming prices, are bewildered to find that their peacetime inventories are dropping as backlogs of orders are filled, and that they have little or nothing in the way of war orders to deliver.

Where's the Boom?

Where's the war boom?—Many forget that the daily newspapers speak of government movements which will take from thirty to sixty days to function. Operating under the misconception that war orders will directly affect every industry immediately, some have even curtailed advertising and sales staffs in anticipation of easy harvest.

It cannot be stated too strongly that lack of boom is due to the delayed decision of the all-important British military and economic mission to Ot-

tawa. Members of the Mission consist of Vice-Admiral Percy Addison, Major-General R. F. Lock from the War Office, and G. B. Gordon, A. C. Boddie, and Mr. Crone. The chairman is to arrive this week.

Until the British know what they need and what Canada and the United States can supply, the government cannot order its Ministry of Munitions and Supply to purchase precise quantities of merchandise, factories cannot be retooled, nor whole industries diverted to war production. What business now exists in Canada is normal business intensified by war prices and war activity, together with orders for the supply of the militia, which was in operation and was provided with money twelve days before the main government bodies themselves.

Purchasing Commissions

As well as the Canadian Ministry of Munitions and Supply, there are to be both British and French purchasing commissions based in Canada.

Discussions by Canadians have been held with the British government to date on the manufacture of articles of communication; steel; machine tools; engineering; war specifications; power; guns; machine shops and shells; shipbuilding; component parts and tooling; and organization.

Domestic production of steel is only beginning; stores of iron ore, tin and manganese are being amassed at Sydney, Nova Scotia; in the province of Quebec; at Hamilton, Ontario; and on the Pacific coast. In spite of reports, it must be pointed out that half of this country's needs for steel will be supplied by the United States. The American industry's capacity is 2½ times that of Germany, Britain, and France combined. United States Steel Co., alone produces twenty million tons and Bethlehem Steel Co.'s Baltimore works, largest of all, produces 6,500,000 tons; rated equal in capacity to the entire German industry, or Britain and France together.

Effect on Transportation

Demand for raw materials is galvanizing Canadian transportation. More ship tonnage passes each year through Sault Ste. Marie than through the Suez Canal and, through September to Nov. 21, the greatest race against freeze-up in Lakes history is taking place. More than 327 vessels capable of bringing 2,978,800 gross tons per trip are moving. Indeed, over 9,000 seagoing, inland international, and coastwise bottoms are on the Canadian registry, with concentration of shipping shifting to the Atlantic.

Iron is crowding wheat, the usual late season cargo, to the north. The government-owned Hudson's Bay Railway now provides a second avenue of traffic to relieve the congested St. Lawrence River at a crucial time. Canada's eastern agricultural and industrial region from Halifax to Detroit has already commenced shipping. The eastern fishing, lumbering and mining region expects to commence war production this month. In the central agricultural region from Winnipeg to the Rockies, wheat is the main export. Four thousand carloads were inspected for shipment at Winnipeg over Labor Day. Cars are being graded at the rate of 1,778 a day. With a carryover of 100,000,000 bushels of wheat and a 1939 crop estimate of 449,000,000 bushels Canada hopes to feed the United Kingdom for two years.

Economic Split

Geographically, Roosevelt's declaration of neutrality and Canada's declaration of war split North America in two. Trade between the two countries follows normal north-south channels. Since war began, Canadian internal and export trade is in a west-east direction toward London. British Columbian trade is expected to slacken for lack of Pacific Coast shipping, though it may be partially maintained by orders from the expanding Pacific northwest of the U.S., and by railway shipment. Military construction of interest to the U.S., such as B.C.'s north-south provincial highway, is to be completed if necessary with U. S. materials.

A second main trade movement, (Continued on Page 12)

THE BUSINESS FRONT

Business as Usual

BY P. M. RICHARDS

IN THE hurly-burly of 1914-1918, amid air-raids and the confusion incidental to waging a wholly unexpected "war of the world," British business men hung out signs which said laconically "Business as Usual." To the public these signs meant more than that their hangers-out were merely sitting at the receipt of custom as usual; they signified that Britain was carrying on, calm and undaunted.

"Business as Usual" might be a good slogan for Canadian business today—a sort of secondary slogan. The first essential is, of course, to organize the national system for war. Therefore military needs must take precedence over civilian needs. But also very important is the need for keeping our business and economic system as intact and sound as possible.

Obviously this is much more likely to be accomplished if producers and distributors maintain normal relationships with consumers than if they do not.

This has reference to the fact that in one or two cases where supplies of certain products have been temporarily exhausted owing to excess buying by hoarders, the producers of these goods have halted their normal sales effort, feeling that there is no sense in spending money to create public demand, when abundant demand already exists for all the goods they can produce.

And in the war period ahead the same thing is likely to be done by manufacturers who, having turned part of their productive capacity over to filling war needs, know that they will have no difficulty in disposing of their limited normal production, even without any particular sales effort.

This is a very mistaken policy, for it endangers the whole of the investment in consumer good-will built up over, perhaps, a considerable period of years.

A Costly Error

Many firms, including some who should certainly have known better, made this error in the last war. They stopped, or greatly reduced, their customary outlays for advertising and other sales effort, having all the business they could take care of anyway. What happened? After the war, when war business had stopped and they needed the widest-possible markets for their normal peace-time production, these companies found that they had lost ground and could not recover it. The concerns which forged ahead were those which had continued to build up

public good-will toward themselves and their products, even in the war years when they had had no difficulty in keeping their plants busy.

In the flurry of organizing for this new Great War, there may be a tendency to overlook the fact that, in thousands of communities across Canada, business is actually going on as usual in one very important respect—which is that consumers are continuing to consume in precisely the same way that they are in the habit of consuming.

Public purchasing power will be affected by the war, of course. The cost of living is already rising and is likely to rise further. While wages, and some salaries, will reflect this rise in time, they are likely to lag behind it. This obviously means some lessened purchasing power for all recipients of more-or-less fixed incomes. But against this, and much more than offsetting it, is the new purchasing power to be created by vast government spending for war purposes, by the great increase in industrial activity, and the virtual elimination of unemployment. Everywhere working staffs are being increased and new industries are springing up; thousands upon thousands of men and women are ceasing to be a burden on the national economy and are instead becoming earners and spenders.

The Coming Boom

Factors other than the war itself are making for an industrial boom. Chief among them is the existence of probably the greatest accumulation of human wants in history. For ten years, ever since the 1929 crash, the people have been doing without things they wanted and needed. Individual and corporate and community needs have been left unsatisfied. Now, with industry again active and furnishing employment for all who can take it, the process of supplying these wants will begin.

Civilian consumers may have to do without some of the things they are accustomed to having, when the plants of the producers concerned are busy on war production. But probably there will be few actual deprivations; somebody will arise to supply the wanted goods, though it may not be the customary supplier.

Of course the national war effort comes first. But, granting precedence to that, business men may well determine that attention to production for war shall not result in the abandonment of valuable markets, built up at great cost and effort over a period of years.



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AGENCY OPPORTUNITIES
IN SOME TERRITORIES THROUGHOUT CANADA

Exchange Rules May Impede War Finance

(Continued from Page 7)
new long term financing as well as for new tax revenues. But the new plan for control of foreign exchange, made public last Saturday, is in such direct conflict with this thought, as to inspire the fear that the government will try to force people to put their money at its disposal.
The powers vested in the Board are startling in their contrast to the ways in which we have been accustomed to view business and individual rights. They reach far beyond anything in the past history of Canada. They practically tell the Canadian citizen that the government has the disposal of everything which he has in the way of foreign money or securities, or which he can sell outside of Canada. The regulations bear evidence of having been adopted hitherto from Great Britain, without regard to the fact that the economic and financial position of Canada is

entirely different from that of Great Britain.

Whatever feelings and problems may be inspired by the war, we in Canada remain 75 per cent. American and only 25 per cent. British in respect to our personal contacts and business associations. And so enormous is the volume of commodity trade, financial business and tourist movement between Canada and the United States that any set of regulations designed to control the flow of money must be either worse than useless, or else it must be so radical, and so enforced, as to be a violent and destructive force in our economic plan.

To say that the Board is merely given authority to do this and that, is no relief. The Board is a group of government officials, who become vested with power to confiscate wealth and to control the business of every manufacturer and trader, every investor, and every other citizen who has any part in the millions of dollars of business that we are transacting every day with our neighbors across the line.

Difficulties in Control

The regulations as issued thus far place no obstacle in the way of export of goods or securities, or any other business which creates credits for Canada. But the foreign exchange which is thus created at once comes under the control of the Dominion government, the banks and post offices being named its agents for that purpose.

Then there are strict limitations on the securing of foreign exchange by the citizens. In other words, you can pay in, but you are controlled in respect to paying out money for goods or securities. The government, through the Bank of Canada, at the same time undertakes to fix the exchange rate from day to day. That is rather a presumption, because the rate is actually fixed in the senior market, in our case New York, which is the clearing house for practically all of our foreign exchanges, and where, because of the immensity of the turnover there, we get a rate on Brazil, or Japan, or Cuba, by merely taking the New York rate and adjusting it in terms of Canadian funds. Canadian banks as a rule carry balances in various banks in the United States for that purpose.

The Bank of Canada may influence the rate by the way in which it ships gold and by its own foreign exchange balances, but it is obvious that it cannot dictate how a New York bank will value the Canadian dollar, and any rate named by it in Canada must correspond with the New York rate.

Room for Injury

There could nevertheless be room for grave and injurious discrepancies if the new controls were rigorously applied. Then we could have a situation like that in Germany, where imports were wanted and prices right, but the would-be buyer could not obtain marks for export. Thus an inter-listed stock such as Imperial Oil might be 14 in New York and 16 in Toronto, with the Canadian dollar at 90 cents in New York, which situation would call for purchases in New York at a cost of about 15% in Canadian funds,—but the exchange authorities might not permit funds to be available for this purpose. Right away there would be two markets which could not be kept in line.

The same could apply to any commodity or article of merchandise. It suggests the idea of cutting off, for the first time in the entire history of Canada, the financial and commercial relations which are woven into our entire economic life. Canadian dealings in commodities and securities listed outside of Canada are the most obvious targets for this control, but there is no definite way of separating those transactions from our ordinary business. International Nickel, Consolidated Smelters, C.P.R., and a score of other concerns have shareholders across the line. Are Canadians to be permitted to sell these stocks, while other Canadians are prohibited from buying them, with the obvious effect of our gradually losing control of our own industries?

Impair Our Position?

These and many other questions must be cleared up at once. Meanwhile the effect is to impair rather than further the accumulation of exchange credits for Canada. The American wants to keep clear of any place where his funds may become sequestered, while the Canadian feels that he should protect in every possible way whatever he already has beyond the jurisdiction of the Canadian authorities.

This is bad business for a country which has advertised its attractions for capital, which has seven billion dollars of outside capital invested here against less than two billions of Canadian capital invested outside of this country, which claims a large favorable balance from tourist traffic, and which talks about a coming business boom in its new status of supply base for the British forces.

These points are urgent from the viewpoint of borrowing policy, as well as for their effect on all business. They hint at a need for making capital place itself at the disposal of the Canadian government, through a kind of valve which permits a full inflow into Canada but checks the outflow. If that is the plan, then it serves

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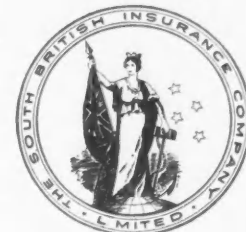
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notice of the intent to change the whole tide of Canadian business so as to leave money no alternative but to lend itself to the government at depressed rates.

It will be too bad if the seven billions of capital now tied up in Canada takes warning by converting itself into our wheat, metals and other commodities for export, thereby draining the country of its liquid capital and of all hope of creating foreign exchange for its own use. It would seem far better to retain our open door and easy relations with the United States, and through it with most of the nations of the world, and obtain capital on the ground of sound development and fair dealing, rather than through a dangerous attempt to collect or reduce a two billion credit account at the risk of having to pay one on which we owe seven billions.

Under the conditions that have existed, it should be possible to raise more taxes and also to raise more loans if necessary. Under the indicated plan of control, there might be such a run on Canadian liquid resources as would defeat any method of war finance.

WATER-POWER

THE present recorded water-power resources of the Dominion amount to a total of 20,347,400 h.p. under conditions of ordinary minimum flow and 33,617,000 h.p. ordinarily available for six months of the year. This quantity of power, says the annual review of the Dominion Water and Power Bureau, Department of Mines and Resources corresponds to a potential turbine installation of 43,700,000 h.p. The existing total turbine installation is 8,190,772 h.p. Thus more than 80 per cent of the estimated water power of Canada still awaits development.

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GOLD & DROSS

It is recommended that answers to inquiries in this department be read in conjunction with the Business and Market Forecast.

DOMINION WOOLLENS

Editor, Gold & Dross:

If you have the information available I would like to know if Dominion Woollens & Worsteds has received any war orders or if it is likely to. Has the company the facilities to take care of any such orders that might come its way? Quite apart from all this war business, how is the company doing to date?

—F. J. N., Vancouver, B.C.

I am informed that as yet no war orders have been received by Dominion Woollens & Worsteds, Limited, for the manufacture of cloth for army uniforms. Should any orders be forthcoming, the company is, I believe, equipped to take care of them: the plants at Hespeler and Peterborough, Ont., are fully equipped to manufacture woollens, worsteds and yarns to any specifications that may be laid down by the government; the mill at Orillia, Ont., has yarn and spinning equipment but no dyeing facilities.

To date in the current year, business has shown an increase over the corresponding period of last year and operating profits for the full year—which ends December 31—aided by economies effected through the consolidation of the cloth and manufacturing units, are expected to show a satisfactory improvement.

POWELL ROUYN

Editor, Gold & Dross:

What is the present situation at Powell Rouyn Gold Mines, and is there any likelihood of a dividend being declared soon? Thanking you for any information about this property.

—J. R. M., Newcastle, N.B.

An initial interim dividend of five cents a share was declared September 12, payable October 16 to shareholders of record September 30, and will involve the payment of \$62,500. A net operating profit of more than \$125,000 was reported for the quarter ended June 30 and at this rate the company is earning around 36 cents per share annually. Net current assets should be in excess of \$350,000 after payment of the initial dividend and present earnings are ample to continue a quarterly payment.

Conditions likewise also continue satisfactory. The shaft is being deepened to 1,600 feet and the 1,400-foot

station has been cut. Another level is to be located at 1,550 feet. All production is coming from above the 650-foot level but development drifting has now proceeded 1,400 feet on the 800-foot horizon and one 150-foot section gave an ore width of 30 feet. The initial 400 feet of drifting on the 950-foot level gave normal vein size but values were below mine average. At 1,100 feet the shaft crosscut established 30 feet of ore assaying \$5.50. Drill holes north and south indicated good widths with values of \$8.62, \$5.86 and \$6.62. Cross-cutting is now proceeding at 1,250 feet. As a whole the ore results on the bottom levels are considered favorable and it is likely shipments will be increased as smelter capacity expands.

SMELTER GOLD

Editor, Gold & Dross:

Would you be good enough to give me the financial set-up and your opinion of Smelter Gold Mines stock as a speculative buy? Thank you very much for your opinions and advice, which I have found to be a good guide over a period of years.

—C. J. A., Edmonton, Alta.

Smelter Gold Mines has two properties which it is exploring at present, one adjoining the Thompson-Lundmark in the Yellowknife area and the other at Rowan Lake, Ontario. Several veins were discovered last year on the Yellowknife property, while on the Rowan Lake ground a recent discovery has been exposed for a width of 27 feet and length of close to 100 feet. A number of shallow pits have been blasted and on the east end of the showing values from \$1.40 to \$7 per ton were secured in five of the pits. Two pits to the west yielded \$40.25 and \$4.80, while other pits gave values from \$1.40 to \$85.40.

While the properties are still in the prospect stage the stock as a speculation holds some appeal at the present price in view of the fact that the company has been able to arrange finances for a diamond drilling program on the Rowan Lake discovery. The company is capitalized at 5,000,000 shares of which 3,967,902 were issued in October, 1938. At that time the company held 1,232,860 shares of Split Lake Gold Mines which were subject to an agreement making any portion available for the financing of that company.

ABITIBI

Editor, Gold & Dross:

Everyone says that the war will help newsprint companies and I was wondering if you thought that because there should be more business there might be some change in the plans of the Abitibi Bondholders' Protective Committee re-selling the assets of the company. I've been following your comments on this company and have found them very sound and would like to hear from you on this question.

—I. S. T., Toronto, Ont.

As far as I can ascertain, there seems to have been no change in the plans of the Bondholders' Protective Committee of Abitibi Power & Paper Company. As you say, the outlook for newsprint companies has improved considerably as a result of the European war, but I understand that the Committee intends to take legal proceedings in the near future to offer the assets for sale and to reorganize the capital structure of the company. Bondholders claims would be satisfied by the issuing of 1,930,360 shares in the new company and creditors and common and preferred stockholders would be given warrants carrying the privilege of buying the new stock at from \$36 to \$41 per share up to July 1, 1942.

SLAVE LAKE

Editor, Gold & Dross:

Can you furnish me with any recent information regarding Slave Lake Gold Mines? I have some of the stock, and am told a new deal is under way. Have you any details?

—H. R. M., Ladysmith, B.C.

An optional agreement has been arranged with Slave Lake Gold Mines by Toronto interests and if an examination of the property proves satisfactory, finances will be provided for further work. A relatively high content of tungsten as well as a certain tonnage of high grade gold was disclosed in previous drilling and underground work, and it is believed the tungsten now offers possibilities under existing conditions.

A. E. Kippis, consulting engineer, stated that "evidence points to the possibility of tungsten being more abundant than gold." Tungsten now comes largely from China and is an essential war-time metal. The new deal involves 1,570,000 shares, including the block which may be underwritten, and an amount of \$261,000. If the agreement goes through the option is to provide \$5,000 a month commencing December 11.

DOMINION TEXTILE

Editor, Gold & Dross:

I want to get your advice on buying Dominion Textile at the moment and in the face of the war going on in Europe. Does this company stand to benefit and would you buy if you were in my place?

—P. F. H., Quebec, Que.

Yes, I think I would. The company's strong trade position and the possibilities that it will benefit from war orders, give the stock above-average speculative appeal. One of the great needs in this war will be parachute cloth and similar materials, and I understand that Dominion Textile has already received some orders and there are excellent prospects that these will be increased. Then, too, the fact that British firms will be occupied with production for war use will greatly lessen that competition in Canadian markets.

Operations were recently reported to be at the best levels in some time and with costs under rigid control, profits for the current fiscal year will compare favorably with the \$3.34 per share shown in 1938-1939. Dividends should continue liberal.

PAWNEE, KING KIRKLAND

Editor, Gold & Dross:

I have in my possession some shares in the Pawnee-Kirkland Gold Mines Limited which were issued in May 1922 and April 1926, a total of 1,250 shares. I also have 1,400 shares of King Kirkland Gold Mines which were issued in April and October 1927. I would be much obliged for information.

—B. F. S., Brandon, Man.

Pawnee-Kirkland Gold Mines is inactive but it is considered an east and west zone in the shaft area warrants further exploration. This would involve an expenditure of \$25,000 or \$30,000 and due to general financing conditions the company has been unable to make the necessary arrangements. As at February 28, 1939, the company had \$829 cash and investments at book value of \$103,061, while current liabilities totalled \$36. Of the 3,000,000 share capitalization 2,999,000 are issued.

The King Kirkland property was sold to Kirkland Gold Mines but was returned to the original owners last year. The property is at present inactive with the management closely watching developments in the immediate area. The property has a shaft to 400 feet but work so far on four levels did not prove particularly encouraging. The company holds surface rights on the King Kirkland townsite.

Pawnee Kirkland shares are quoted at 1 to 1 1/2 cents.



HUNTLY R. DRUMMOND. This is a new photograph of the former vice-president of the Bank of Montreal, recently elected president in succession to the late Sir Charles Gordon. Long prominent in Canadian industrial and financial circles, Mr. Drummond has been associated with the Bank of Montreal since 1912, as a director since that time and as vice-president for the past twelve years.

MOLYBDENUM

Editor, Gold & Dross:

Could you please tell me something about molybdenum—its importance, where found, ease of mining, etc?

—S. C. G., Carstairs, Alta.

Molybdenum is used chiefly to intensify the effects of other alloying metals, particularly nickel, chromium and vanadium. The extended use of molybdenum in many fields has caused a steady and considerable increase in consumption. For use in hard-wearing and special parts, especially in automobiles, molybdenum steels are gaining favor both on the American continent as well as in Europe. It is also well adapted for munitions uses, such as rifle barrels, etc.

Mining of molybdenite was stimulated in Canada during the 1914-18 war years. A noticeable revival of interest has been apparent in the past two years. It is reported that in Canada alone several hundred deposits were discovered when its value in steel alloys was recognized before the world war. This mineral has been found in Nova Scotia, New Brunswick, Quebec, Ontario, Manitoba and British Columbia. Several of the large mining organizations have recently been checking over molybdenite deposits but I understand that none of

(Continued on Next Page)

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BUSINESS AND MARKET FORECAST

BY HARUSPEX

The market's PRIMARY or long-term trend, under Dow's theory, continues upward. The SECONDARY trend, upward since April 8, was reconfirmed on September 11. See price discussion below.

THE PRICE MOVEMENT—Stocks, in their sharp advance following immediately after war, have been under the stimulation of three forces. First has been the anticipation that war in Europe will duplicate the experience of the first world war by creating a large demand for American goods. Second has been the tendency for stock prices to recover the lost ground that existed between them and the level of business at the time war broke out. This gap was created by the condition of depressed sentiment over the months preceding war, during which period business moved persistently forward, but stock prices, despite occasional spurts, hugged bottom levels of the year.

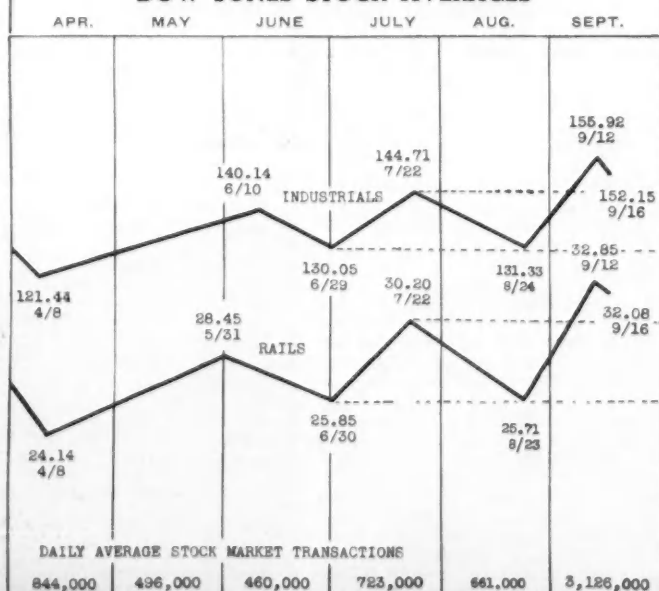
A third influence has been the tendency of the war excitement to set off a buying movement on the part of both producers and consumers. This buying has increased the rate of domestic activity with the result that the business curve, following some hesitation in August because of low automobile production and arbitrary shut-downs in the oil industry, has moved into new high ground. Indices of production, over the past two weeks, have advanced sharply, and prospects are for continued advance over the weeks more immediately ahead.

Of the three influences cited above that have motivated the recent sharp advance, the most powerful was that arising over war and the prospects of war purchasing in the United States. War stocks have consequently registered extreme advances that, pending evidences of the actual receipt of war orders, make this part of the list, and the general market along with it, quite vulnerable to adverse news developing out of the war. A decisive German success in Poland, for illustration, could bring about fears of a "peace" offer that would temporarily throw cold water on the war boom. Similar upsets could grow out of the coming session of Congress, should it become evident that the embargo on certain war supplies is to be continued.

All of which is to point out that fast and excited advances are subject to occasional sharp checks and that while holding of some war issues would seem reasonable, particularly where these issues also benefit from inflationary influences, there is also reason for hedging the uncertainties of the war with stocks that appear attractive from purely the domestic outlook.

From the technical approach, the two Dow-Jones averages, in moving above the July peaks, have reconfirmed the secondary uptrend under way since April 8. More important barriers just ahead are the 1938 peaks of 34.33 on the rails, 158.41 on the industrials. Penetration of these levels by both averages would reconfirm the primary uptrend, suggesting, in due course, substantial further advances. Market consolidation or recession has sometimes occurred prior to an assault on such primary points.

DOW JONES STOCK AVERAGES



BALANCE SHEET AS AT

ASSETS

CURRENT

Cash on Hand and in Banks.....	\$ 176,329.21
Accounts and Bills Receivable.....	1,961,272.90
Loans and Advances, less Reserve.....	322,454.28
Inventories of Finished Products.....	\$1,842,321.56
Inventories of Raw Materials.....	2,431,921.24
	4,274,242.80

DEFERRED CHARGES

Insurance, Taxes and Prepaid Expenses..... \$ 6,734,299.19

INVESTMENTS..... 129.66

SELECTION..... 279.12

PROFIT..... 1.62

OFFICE..... 8.00

MANAGEMENT..... 59

BUILDING.....

LAND.....

TRADE.....

YOUR MOST VALUABLE ASSET DOES NOT APPEAR ON YOUR BALANCE SHEET

"Deprive us of our physical assets, take away our surplus and reserves, our bank balances, even our offices and furniture, but leave us our trained employees and, in a few years, we would have all the rest back again."

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SLAVE LAKE

GOLD MINES LIMITED

1,063 pounds of ore shipped for sampling purposes assayed 3.15 ounces gold and 1.20 per cent tungsten. (Dominion Government report, 1937.)

Information on request.

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Dividend Notices

Provincial Paper Limited

Notice is hereby given that regular Quarterly Dividend of 1 1/2% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable October 2nd, 1939, to Shareholders of record as at close of business September 15th, 1939, in Canadian Funds.

(Signed) W. S. BARBER, Secretary-Treasurer.

DIVIDEND NOTICE
BRITISH AMERICAN OIL
COMPANY B-A LIMITED

NOTICE is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared on the issued No. 100,000,000 Capital Stock of the Company for the third quarter, ending September 30th, 1939. The above dividend is payable in Canadian Funds, October 2nd, 1939, to Shareholders of record as at close of business on the 15th day of September, 1939.

Share Warrants will present coupons, Serial No. 38, to any branch in Canada of The Royal Bank of Canada, who will negotiate them at par, or at the London, England, branch of The Royal Bank of Canada, at the buying rate for sight exchange on Canadian dollars, on or after October 2nd, 1939.

H. H. BRONSDON, Secretary.

Dated at Toronto, September 13th, 1939.

Hollinger Consolidated
Gold Mines LimitedDIVIDEND NUMBER 323
EXTRA DIVIDEND NUMBER 56

A regular dividend of 1%, and an extra dividend of 1%, making 2% in all, have been declared by the Directors on the Capital Stock of the Company, payable on the 15th day of October, 1939, to Shareholders of record at the close of business on the 23rd day of September, 1939.

DATED the 16th day of September, 1939.
I. McIVOR, Assistant-Treasurer.

SATURDAY NIGHT

THE CANADIAN WEEKLY
Established A.D. 1887BERNARD K. SANDWELL, Editor
N. McHARDY, Advertising Manager

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GOLD & DIAMONDS

(Continued from Page 10)

these investigations has so far resulted in a deal or extensive exploration.

While figures for Canada's importations for last year are not available, in 1937 the importations totalled 212,566 pounds of calcium molybdate. In the previous year the imports were 158,621 pounds.

PONTIAC ROUYN

Editor, Gold & Diamonds:

Is Pontiac Rouyn Mines doing any work at present and what is your opinion of the outlook?

—M. R. D., Rochester, N.Y.

A renewed program of diamond drilling is to be started immediately at Pontiac Rouyn property and the first work will be the exploration at depth of a large quartz exposure. The directors of the company are satisfied this further work is justified. Several copper showings have been located and partially opened some distance east of the quartz vein. The copper showings are to be investigated by a geophysical survey. The property adjoins Powell Rouyn on the north and the possibilities appear interesting.

DAIRY CORP.

Editor, Gold & Diamonds:

Would appreciate details of the plan of reorganization proposed for Dairy Corporation of Canada and would like to have any financial statements that you have on hand. Am interested in this company and appreciate the information you have given me in this and in other matters in the past.

—S. H. A., Weyburn, Sask.

Under the proposed plan of reorganization of Dairy Corporation of Canada, Limited, a new issue of 5 per cent preferred stock in amount not exceeding \$357,800 par value and 100,000 shares of new common will be created. For each \$100 of the present debentures, \$50 of the new preferred and 10 shares of the new common stock would be exchanged; for each 10 shares of the Class "A" and Class "B" stock, holders would

receive one share of the new common. In all, 100,000 shares of the new common would go to the debenture holders and 12,845 shares to the stockholders. The plan will be presented to debentureholders on September 29.

In the year ended March 31, 1939, Dairy Corporation's consolidated sales (excluding Canada Dairies Limited) amounted to \$2,477,259, as compared with \$2,608,642 in the previous fiscal year. Total income in the last fiscal year was \$162,406, against \$158,907 in 1937-1938; and net loss for the year was \$45,655, against \$59,870 in the previous year. Excess of current liabilities over current assets was slightly reduced from \$279,567 to \$258,108.

CANADIAN VICKERS

Editor, Gold & Diamonds:

Would appreciate any information you can give me on Canadian Vickers. Will there be any reorganization and is this company in line for war orders? I would also like to know what orders it has on hand, if any, from the government.

—T. K. L., Toronto, Ont.

I understand that a part of the survey which is being made of the production facilities and selling organization of Canadian Vickers, Limited, is now in the hands of the company's directorate. As you probably know, the survey is being made for the purpose of appraising the company's competitive position and in order to effect all operating economies possible. While I believe a plan of reorganization is being considered, no detailed information is available beyond the fact that it will provide new working capital. In the meantime, interest due on the 6 per cent first mortgage bonds on August 1, 1939, has not been paid.

In any additional armament business that may develop through the present war, the company is, through its marine and aviation departments, in line to participate. In August it was announced that the government had ordered 6 additional Stranraer flying boats from Canadian Vickers at a total cost of approximately \$1,000,000; the order brings the total of 16 Stranraers booked or completed by the Canadian government.

Western Oil and Oil Men

BY T. E. KEYES

Okalta Oil's revenue from royalties on wells drilled on its acreage for August was approximately \$27,000; in addition \$21,600 was obtained for the production from the company's No. 8 well, bringing the total revenue to \$48,600 as against \$50,700 for July. The reduction in earnings is due to the decrease in proration.

Sunset Oils Limited has just made a distribution of 4c a share. The amount of this dividend is \$67,200, making total dividends paid to date \$310,800, or 18 1/2c per share. The No. 1 well was completed December 23, 1937, and the No. 2 on September 17, 1939.

The Argus Royalties well, located in the central part of the field between the Vulcan Brown and Home wells, contacted the lime last week at 6909 feet. This company is an Anglo Canadian affiliate, and the well has been drilled by Drilling Contractors Limited, also an Anglo Canadian company. Should this well prove to be a producer, as is presently expected will be the case, it will, in effect, prove this large area between the north and south ends of the field.

The Anglo No. 8 well, located in the same area as the Argus well, also expects to reach the lime very shortly.

While reports have been current here in Calgary for several days that proration will be greatly increased presently, Conservation Board officials state that, so far as they are aware, there is as yet no extra demand for Turner Valley crude. However, Herbert Greenfield, president of the Alberta Petroleum Association, and J. H. McLeod, president of the Royalty Company, spent a couple of

days in Edmonton last week, conferring with the Hon. N. E. Tanner, Minister of Lands, Mines and Oils for the province, and it is known that the purpose of this consultation was, in part at least, to find ways and means of getting the Dominion Government to use more Turner Valley crude.

I have just been talking to a member of the government, and my information is that as yet, the matter is still under discussion, between officials at Ottawa and Edmonton, and that it is still too early to say definitely just what the outcome of these negotiations will be. One result so far has been that all military districts in western Canada have been instructed to use gasoline made from Turner Valley crude.

In my opinion, the prospects of enlarging the area for Turner Valley products, and of regaining at least part of the Manitoba market, which was lost to this field when the Illinois field came into production, are very bright.

I have just read a four-page circular letter sent out by president Walter F. Thorn of Franco Oils to his shareholders. The letter outlines in detail the many operations and programs of the Franco company.

This company's drilling operations are spread over several areas, and as this is written, it is financing in whole or in part the drilling of five wells and is preparing to start on the sixth. The company and its affiliates now have two oil wells in the Lloydminster field and one in the Battlevue-Vermilion

field, about 25 miles west of Lloydminster.

The estimated capacity of these wells, according to Mr. Thorn's letter, vary from 200 to 300 barrels per day. The producing horizons are very shallow, being around 1800 feet. According to local experts, a 40-barrel well, at that shallow depth, would be a commercial producer. In the Cutbank Montana field the average daily production of all the producing wells in that field is only 28 barrels per day, and the producing horizon is around 3000 feet.

The Franco Company has within the last few days acquired the controlling interest in the Battlevue Oils Limited, which company owns 50,000 acres on the Battlevue-Vermilion structure. The company has also negotiated a contract with the Saskatchewan Power Commission for 200 barrels of crude oil per day for the Commission's North Battleford power plants.

The Franco Company and its wholly owned subsidiaries are also interested in the gas business, and have an exclusive gas franchise for the town of Cardston, Alberta, where the company now has two wells drilling and holds 33,000 acres of leases. It is negotiating for a gas franchise with the town of Vermilion, and has already signed an exclusive gas franchise agreement with the city of Saskatoon.

This franchise is now before the Saskatchewan Local Government Board for examination; evidence of the adequacy of gas reserves will be presented to the Board by the company's consulting geologist, Dr. F. F. Hintze, shortly.

The gas end of the company's operations are under the direction of Herbert R. Davis, internationally known gas engineer of Buffalo, and John K. Swanson, formerly vice-president and general manager of the Minneapolis Gas-Light Company.

The company also owns 21,000 acres of leases in the Vera, Sask., field, and has acquired a portable rotary to test this field further. A well drilled in that area last fall and this spring was rated a commercial producer by the government. Mr. Thorn's letter states: "Unfortunately, in testing, water was brought into the hole, and due to the small diameter of the hole and other troubles, we have not been able to finish this well."

Mines

BY J. A. McRAE

COPPER exports from Canada during the eight months ended August 31 amounted to \$35,552,700. This was an increase of \$2,568,000 above the corresponding period of 1938.

Nickel exports from Canada during the eight months ended August 31 amounted to \$35,800,000. This was an increase of \$1,834,000 above the first eight months of 1938.

Thompson-Lundmark is meeting with continued success in development of its properties at Yellowknife. High grade ore sections are being extended, and the outlook is so favorable as to suggest a mill capable of handling up to 150 tons of high grade ore daily may have to be considered for the coming year.

International Nickel Company and its predecessors have distributed over \$260,000,000 in dividends during the past 35 years. While this in itself is a tremendous record, yet the fact remains that production facilities are now greater than at any previous time, while ore in sight is also greater than ever in the past. The gross value of ore in sight on these properties probably exceeds \$4,000,000,000—embraced in more than 300,000,000 tons of ore.

Base metal purchases in London have been brought under a price which has been fixed at around current levels. This is regarded only as a tentative arrangement and only as a means of guarding against too rapid a rise. That an increase in value of base metals will materialize in event of war being prolonged is considered to be a foregone conclusion among close observers and metal authorities. It has not been forgotten that copper rose to a peak of around 37 cents per lb. as a result of the world war of 1914-18, and while every effort will be made to prevent a recurrence of such a rise, there is believed to be no doubt but that very important increases in price are inevitable.

Hollinger Consolidated Gold Mines will pay a bonus of 5 cents per share together with the regular 5 cents per share payable Oct. 7. This will call for distribution of \$3,396,000 and bring the grand total since inception of dividends to \$97,590,000.

Courmor Mining Company produced \$55,156 during August compared with \$50,869 in July. An average of \$8.76 per ton was recovered in August compared with \$8.22 in July.

A decline of around 10 per cent in the value of the Canadian dollar in

Invest in
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Canada's war financial policy, as outlined in the recent Budget Address, provides as far as possible for the payment of war expenses from taxation, and for the restriction of borrowing. This policy is already being reflected in the stabilizing of Bond interest rates in Canada.

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Its effect upon your investments

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New York during the first week since Canada's declaration of war against Germany caused some market disturbance, but the outlook is that any continued trend in this direction will induce American capital to enter Canadian markets, both for investment in industrial as well as purely mining shares. With American funds at a premium of around 10 per cent, an opportunity is presented for accumulation of large share holdings here at particularly attractive prices.

Gold mines in Canada are already reaping important benefit from exchange fluctuations. With Canadian funds at a discount of 10 per cent, the gold producing companies are still receiving \$35 an ounce for their gold in New York, a price which amounts to \$38.50 an ounce in Canadian funds. This added \$3.50 an ounce is adding

greatly to the current income of the gold mines.

Lake Shore, producing gold at a rate of nearly 500,000 ounces annually is receiving added revenue at the rate of around \$1,700,000 a year with premium on exchange at 10 per cent.

All gold producers are benefitting from this premium on exchange. Gold production for all Canada is now at a rate of over 5,000,000 ounces annually. A premium of 10 per cent on exchange has the result of adding at a rate of some \$17,000,000 a year in Canadian funds to the gold output of the dominion.

Canada's total mineral output for the first six months of 1939 was \$217,700,000, an increase of \$9,000,000 over the first half of 1938.

New Mines Are Hurt by War Budget

BY J. A. McRAE

TAXATION as a means of meeting the cost of war as fully as possible out of current revenue has met with widespread approval among mining interests throughout Canada. True enough, the tax will burden all industry, including mines, but since the necessity has arisen to make a stand against aggression the captains of the mining industry are glad to make common cause against a common foe.

The War Budget, nevertheless, was brought down in haste, and does reflect an unfortunate lack of understanding of the mining industry. For instance, a long established mine, making several million dollars a year in net profit, and which does not increase the rate of profit during the war, will not have to pay any excess profit tax provided profits do not exceed the average established over the past four years.

On the other hand, new mines without a background of four years of big production will come under the full force of the new imposts. Young mines that have spent long periods in getting ready for production and which should attain a profitable basis of over 25 per cent. of their capitalization will find all such profits in excess of that amount taxed 60 per cent.

The War Budget will discourage new enterprise in the mining fields of Canada. Not only this, but it may discourage older mines from making plans to increase their output.

How It Works Out

Hon. J. H. Ilsley, Minister of National Revenue, should be shown as quickly and as clearly as possible the menace of the War Budget to new mining efforts.

If the John Jones Mining Company is capitalized at \$1,000,000 and has produced an average profit of \$1,000,000 annually for the past four years, such company may continue to produce such profits without having to pay excess profit tax. The company will, however, have to pay Corporation income tax which has been increased from 15 to 18 per cent. In other words, the tax will be raised to \$180,000 annually.

On the other hand, if the John Doe Mining Company is capitalized at \$1,000,000 and has not yet produced any profit, but has now developed at a stage where production may begin

—and should such new company produce a profit of \$1,000,000 annually, this company would not only have to pay the corporation income tax of \$180,000, but would have to pay excess profit tax on the remaining \$720,000. Under these circumstances the tax on the older company would be \$180,000 annually while that on the new enterprise would be around \$500,000 annually.

Mining enterprises spend long and costly years in making preparation for production. Not only this, but they represent a wasting industry—that in which each time \$1 is taken from the ground the mine contains exactly \$1 less. Having in mind the limited length of life of mines, plus the number of efforts that have to be made before one success is attained, it is not reasonable that any mining enterprise should come under the classification of making excess profits until such time as income reaches the point of equalling capitalization.

Not Against Taxation

These suggestions should not be misconstrued as an argument against taxation. The new mining enterprise wants to pay taxes, wants to make its contribution to the common cause. What it wants, however, is treatment no worse than that of other enterprises.

The established producer, able to show average performance for the past four years, is permitted, and rightly so to make a choice as between paying Corporation income tax on total profits, or deciding to pay a tax of 50 per cent. on profits in excess of the four year average. Now, therefore, this being the case, it should be at once recognized that the new enterprise without any past record to go by, should be permitted to operate under the Corporation income tax in a like manner as the older enterprises should they so decide.

Hon. J. H. Ilsley, Minister of National Revenue, will undoubtedly recognize the necessity for this change the moment the facts are presented clearly to him. After all, the War Budget is for the purpose of financing a common effort and not calculated in any way to hamper any branch of industry,—last of all an industry that means so much to national strength and morale.

War Changing Face of Canada's Industry

(Continued from Page 7)

that of imported American raw materials, is developing from Chicago and New York into Eastern Canada.

Though Canada is expected to become a one-night stop for transient capital, neither American investment here, nor the erection of American branch plants, has yet begun. The latter trend is expected by December, and may not be large; it depends on the extent of neutrality revision. There are already many American branch plants situated in Canada and operating with a semi-monopoly of production, though not now of markets. Expansion of the plants already set up is indicated rather than the establishment of new businesses, with the exception of very new industries brought in lock, stock and barrel.

U. S. Money in Canada

Direct investment of the U.S. in Canadian lands, railroads, utilities, shipping lines, real estate, oil fields, mines, banks, and factories amounted in 1930 to \$2,048,800,000 of the U.S. total of \$7,866,000,000 abroad. Portfolio investments of Americans in the bonds and stocks of Canadian governments, government-guaranteed corporations, and the bonds and stocks of Canadian-managed private corporations were \$1,892,900,000 of the portfolio \$8,238,700,000 total of U.S. funds abroad. This latter total shrank by 1935 to \$4,800,000,000.

During 1934 the last estimate of British, American, and foreign capital in Canada was \$6,887,812,000. Of this sum, \$2,801,834,000 was British capital, \$3,990,693,000 was from the U.S., and \$95,285,000 was from other countries. It may be seen that the performance of Canadian bonds at that time warrants further investment of United States funds here.

Such investment can take place only on a very competitive scale. Originally American capital moved into Canada to assure a constant flow of raw materials for basic American heavy industries. Nickel, asbestos, and pulp sites were developed. Today much British capital has been poured into this country to enlarge small key industries and provide these raw materials for Britain, the effects of which will be very evident if the 42% of the land surface of this Dominion owned by the Canadian government and already opened to prospecting, be opened in places to industrialization. European capital amounting to \$145,000,000, is awaiting investment in Montreal.

If the American revision of neutrality goes into effect and the arms embargo is lifted, present duty charges in force at the border, plus exchange

differentials, may still make it necessary for American branch plants to build in Canada. Our government, mindful of the development of industry brought about by the last war, hopes to have it repeated on Canadian soil, rather than American. Oddly enough, government sentiment for the continuation of American neutrality in its present form until November has been heard, in spite of British and French wishes. The idea being to give Canadian industries a flying start in organization and production which will make competition by American plants the basis of a second production boom in February, 1940.

Bank of Canada continues to exercise a regulative influence over total volume of purchasing media in the country. While the Bank was set up to regulate both contraction and expansion of credit, it cannot control the direction in which new credit is extended, nor can it control the use of credit made by the public.

Investors are cautioned to be on the alert. Control of the real worth of a company in relation to book assets is never strict in war time since companies are not producing for the home market and tend to finance present



LEWIS H. BROWN, president of the Johns-Manville Company, whose report to employees for the first half of 1939 shows that out of each dollar the company paid "51 cents to others for materials, fuels, supplies and other costs and expenses." Five cents, it is pointed out, were used for machinery, buildings and minerals in the mines, while tax collectors took 5 cents. The remaining 41 cents, the report shows, was divided as follows: jobholders, 36 cents; put aside, 4 cents; preferred stockholders, 1 cent.



TAKE YOUR FINGERS OUT OF YOUR EARS. It is no longer necessary to choose between road repairs and shattered car drums. For W. R. Pettit of Victoria Street, S.W., London, Eng., has invented a silent pneumatic drill. It is claimed that the machine is inaudible above traffic noises and can drive through concrete at twice the speed of some other types of drill. Here it is being tested at the Piccadilly end of Park Lane.

production on foreign orders to be filled in the future. Watering of stock and certain overproduction in heavy industries, leaving capitalizations expanded at the conclusion of the war, can mean financial collapse in the ensuing depression.

Exchange on Canadian money has meant much business for manufacturers' agents here. Canadian wholesale and retail houses, unable to secure British goods and about to buy American due to lower cost, now buy in Canada where their money has greater purchasing power.

Progress Erratic

Progress by industries is erratic thus far. The auto industry, for instance, anticipates a lower though more stable market for passenger cars, and greater production of trucks and tractors. But motor plant machinery can be converted to munitions production so speedily that it seems certain new plant space will eventually be occupied to handle both markets. Railway machine shops, type-writer factories, metal stamping works, electrical appliance companies, and makers of agricultural machinery are entering munitions production. Canadian Vickers Ltd., National Steel Car Co., Canadian Car and Foundry Co., Canadian Industries Ltd., Aluminium Co. of Canada, Dominion Textile Co., and eight airplane manufacturers are the only firms now reported in production, though plant changes in the steel industry have been numerous.

New industries to be brought into the country include quick-freezing, the large-scale stamping of plastics, the manufacture of two-way military radiophones, a silk hosiery substitute, manufacture of drug and medical supplies, and the development of beryllium ores in Eastern Canada as a wartime metal. Since Carnegie's Pittsburgh steel mill replaced 16,000 workers with automatic machinery operated by 300 men, the purchase of automatic equipment for war production in large quantities has been under consideration at Ottawa. An influx of American rolling stock is also anticipated by the railways until the \$25,000,000 railway construction and maintenance program authorized at Ottawa has been completed.

Increases and Decreases

Construction industries have experienced a drop in small home building, expect it to continue, and are preparing for plant construction on a moderate scale. An unforeseen set for the industry, one both profitable and experimental, is the complete planning and building of decentralized industrial towns around plants occupied in the mass production of airplanes (Malton), plastics stamping, and raw material bases established by the Ministry of Munitions and Supply.

Production increases are anticipated in auto tires, hard rubber moldings, lumber, fisheries, canning, mines and all forms of metals, water power, rail freight transportation, truck transport, tobacco, glass, and construction materials; oil, lignite, coal, coke, chemical, and cast iron pipe; munitions—in light machine guns, fragmentation bombs, submachine guns.

Forecast decreases until war production is really under way: Retail and department store trade, as separate from commodity hoarding and speculation, due to increased taxes and prices. Both brewers and temperance sources predict a decline in the brewing industry. Chain stores and wholesalers see a business drop unless they enter manufacturing to follow the producer-consumer trend set by the government's example. A drop in the business of finance companies was rumored this week.

Insurance companies expect a decrease in their banking function. Life policies are being carried at premium increases of \$75 a year, with double

indemnity and total disability clauses void on active service. Fire insurance companies hope to expand, on basis of

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the increase of value in goods and materials, the larger stocks on hand, and the erection of numerous temporary industrial buildings which will have to be insured. The widespread use of inflammable commodities to manufacture munitions also supports this trend.

Utility companies are facing rising costs with rate increases restricted. An increased domestic market is expected to bring profits in spite of regulation and taxation.

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The adoption of a "pay-as-we-go" policy by the government is being reflected in shorter maturities on commercial loans. Such an attitude is salutary. In a financial way, it is vital that Canada's co-operation in maintaining British credit in the United States be secondary to that of maintaining our own credit, and be quite distinct from British and French

efforts. Canada cannot assume any portion of British debt and survive. Our contribution will be made here in control of sale of American securities held by Canadian investors. Yet American securities held in Canada exceed a billion dollars and sentiment will undoubtedly force their sale to provide sterling should the war see a second year.

War production in its direct effect upon industries is entirely for export purposes. As it comes, the demand for consumer goods will be intensified indirectly in a lesser, steadier stream throughout the Dominion. This apparently confined and minor national market is the one which contributed more permanently to our national economy, and determines the Canada which is to emerge from the war. Companies which control portions of this market under present circumstances, and are careful to increase their control, will not, when the flood subsides, be left high and dry.

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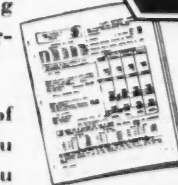
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SATURDAY NIGHT

PEOPLE

TRAVEL

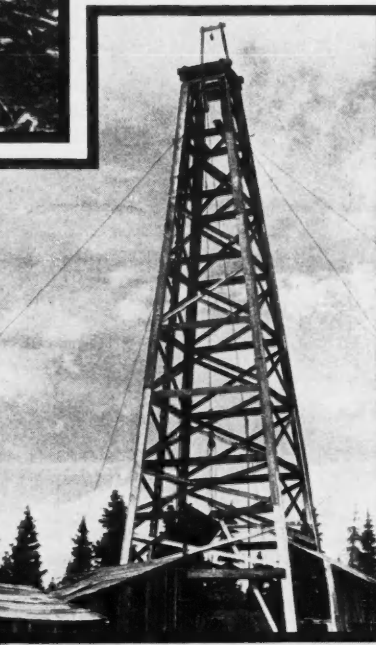
FASHION

HOMES

THE ARTS

TORONTO, CANADA, SEPTEMBER 23, 1939

Oil in a Forest Is New Brunswick's Gift to The Empire



TOP LEFT. At the end of the rough corduroy road slashed through the woods rises the derrick of No. 116, latest well to be drilled by the New Brunswick Gas and Oilfields Limited.

TOP RIGHT. Great quantities of supplies are kept on hand for emergency, for the source is often far away. About a quarter million dollars here.

CENTRE LEFT. Power for drilling is supplied by this antique-looking but remarkably efficient boiler, automatically regulated, run by gas, supplied with water pumped up by gas.

CENTRE MIDDLE. Well No. 113 has reached gas at 1700 feet depth, output a million cubic feet daily.

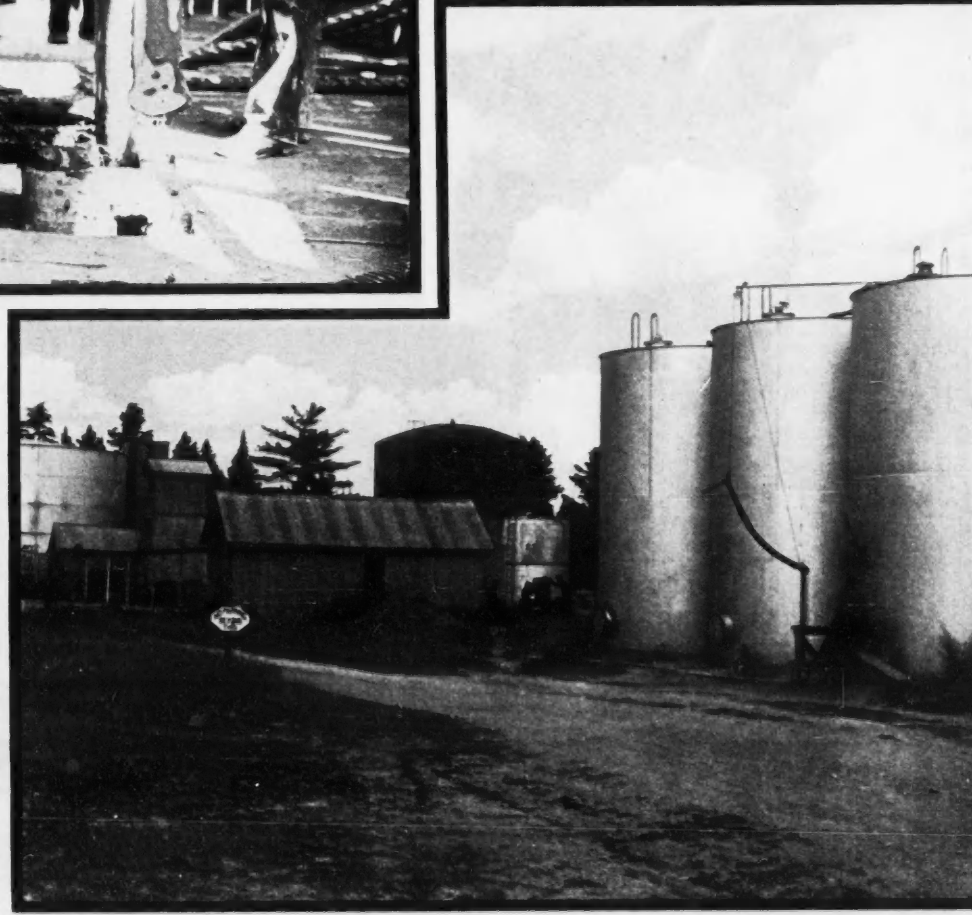
CENTRE RIGHT. Old "15" has been producing gas since 1910 and is still going strong. Watt Steeves, taking the reading, is the storekeeper, has been with the company since he was a boy, lives in a house near the refinery with his wife and four children.

BELOW LEFT. Beside the storage tank of wood, some thirty years old, shines the modern steel container. Each holds 250 barrels.

BELOW CENTRE. Dr. Henderson had calculated that gas should be reached at this level; his nose confirms the calculation.

BELOW RIGHT. With 20,000 barrels capacity this forest refinery seems a valuable reserve weapon in an Imperial emergency. —Photos by "Jay".

See story on page 18



THE BOOKSHELF

CONDUCTED BY HAROLD F. SUTTON

The Bull-Dog Breed

BY HECTOR CHARLESWORTH

"Warnings and Predictions," by Lord Rothermere. Collins. \$1.50.

IT GOES without saying that if the greatest of English newspaper publishers had foreseen what would transpire a very few weeks after his book left the press, he would have scrapped it or re-cast it in different form. Though he was the most eminent British friend of Adolf Hitler, admired him very much and thought he knew him to the core, Hitler fooled him in the end. Early this summer when Lord Rothermere was putting in the finishing touches, he was a happy man. In his long agitation for the creation of a re-armed Britain, with a great air force—an agitation scoffed at, until Neville Chamberlain became Prime Minister, he had won. In Chamberlain he felt Britain had found a man intensely resolute for peace, but one who was not fool enough to take chances on the good-will of Hitler or anybody else. With Britain's de-

fence on the way to completion, Lord Rothermere felt that peace was secure and his final words in "Warnings and Predictions" are: "Against a Britain so organized and prepared no one in arms will dare to come." Nevertheless Lord Rothermere was good enough newspaper man, not to leave unconsidered the possibilities of war; and what Britain's chances of victory might be if hopes of peace proved (as they have) illusory. Therefore his final chapter, a brief one in the nature of an epilogue, is the most important to readers today. First of all he has always held that the young Britisher makes the finest air pilot in the world; and this aptitude for the dominant arm of modern defence should be of inestimable advantage. Moreover the British are still unequalled on the sea. The Navy, the merchant service, the fishing fleets are still the nurseries of the best seamen in the world.

Again while Britain has never boasted of being a military nation

there were in the last war no sturdier troops anywhere than those of the Empire. Historically speaking no nation in the world has a record of conducting war as the Napoleonic wars of 20 years duration were conducted, with dogged persistence and unflinching courage that led to ultimate and complete victory. British workmanship in industry continues, he holds, to lead the world in skill and quality. Commercially, in his opinion, despite setbacks the British are still the leaders of the world. Such a combination of resources make for victory.

It is plain then Lord Rothermere's former admiration not merely for the abilities but for the character and "culture" of Hitler did not lead him to under-rate his own people. The single advantage of the totalitarian states lies, he says, in the fact that they have mobilized all the political resources of their people under one control; no division of opinion about what ought to be done; no stinting of energy when the task is known; no delay in beginning, continuing or finishing the work. While he does not say so, Lord Rothermere is indirectly reminding us of the fact that lack of such dynamic elements of decision and execution in Britain and France, prior to 1938, gave Hitler the lead.

Lord Rothermere, as his portrait shows, is a man of the bull-dog breed, and one craves leave to doubt whether he of all men would have tolerated an English Hitler; or an

English Goebbels telling him what the "Daily Mail" and other Harmsworth publications might say or do. Exasperating as is his reprinted flattery of Hitler to those of us who while admitting Hitler's genius for leadership, were always convinced that he was a sadist, a liar and a fraud, it must be admitted that Britain owes Lord Rothermere a debt of gratitude.

From the day Hitler attained power he never ceased to urge on his own country and on France also, a program of re-armament especially in the air, such as is now visible. The tragedy of it all is that Britain began to listen to him four years too late. If, in 1933, it had heeded him the story of the past 12 months in Europe might have been different.

Tragic Labor

"Factories in the Field," by Carey McWilliams. McClelland and Stewart. \$2.25.

BY J. V. McAREE

THIS is a book of vital importance to the American people, and particularly to Californians. To Canadians it may be considered a companion volume to Steinbeck's "Grapes of Wrath," almost like field notes from which the novel was compiled. But it goes deeper. It explains why California is as it is, and why such horrors

as we have become recently acquainted with are possible, why indeed they are inevitable.

It is the story of a few people, after the gold rush of 1849, taking possession of most of the arable land of the state. They were aided by the curious land laws that existed, an inheritance from the Spanish occupation, and also, when necessary, by venal legislators. So when the land rush began the settlers found that there was little land available. Squatters were ruthlessly ejected. Forged title deeds gave unscrupulous owners ranches the size of European principalities. The first great crop was wheat, but world conditions and invention of refrigerator cars caused the land owners to turn next to mixed fruits, and later to sugar beets. Now cotton is being grown.

The history follows a continuous pattern. The land is not tilled. There are hardly any farmers, in our sense of the word, in California. The land is mined. Those who gather the crops were at first Mexicans, then Chinese, then Japanese, and all the time the white man looking for work and moving over the landscape was a familiar figure. He is only different today to what he was half a century ago because he has reached a number of perhaps a quarter of a million. The whole tendency has been to get rid of the little man who cannot afford the gamble that California farming has become, and to turn him in time into

a wandering transient, who follows the crops and the seasons.

In California the fascist American is seen in his full flower; hence the bloody clashes between workers and land owners. Frank Norris told us a lot about the wheat era in "The Octopus," and Steinbeck has continued the story into the cotton chapter. Something fundamental will have to happen in California to forestall a revolution. The book, while thrilling, is practically an official document.

Bedside Book

"Passionate Kensington," by Rachel Ferguson. Nelson. \$2.50.

BY W. S. MILNE

THE author assures us that this book is neither a collection of essays, nor an autobiography nor a guide-book, but "A Kensington calendar—a pretty typical year—and let it go at that." I am too grateful to the author for a delightful book to quarrel with her description of it, and her justification of that description, expressed with such disarming wit in the introduction, but it is only fair to warn the reader that the book is a combination of all three. Like the essay—the only true sort of essay—it is personal, discursive, chatty, prejudiced, witty, allusive, abusive and illuminating. Since it is in the true spirit of Montaigne, Cowley, Lamb and Mary Coleridge, it is autobiographical by the way, which is as it should be, for the first real essay written in English—leaving to one side that dull fellow, Bacon—was fitly entitled "Of Myself." "It is a hard and nice subject," says old Cowley, "for a man to write of himself," yet, if your essayist is a witty fellow, no coxcomb erect and strutting with conceit, and wise enough to do it gracefully, surely there is no writing on earth that is as agreeable as the essay, so dipable, so altogether suited to be browsed in while the reader is horizontally comfortable. Reading in bed is one of the major pleasures of life, and my chief objection to Civil or other War novels of a thousand pages is that they are impossible to sustain in comfortable recumbency. This is a digression in the manner of the essayist.

"Passionate Kensington" is not a guide-book, not even in the H. V. Morton sense, for the local habitation and a name is merely the peg on which Miss Ferguson displays the patchwork of her prejudices and enthusiasms. What is it about? It is about Woolworth's and German bands and Holland House, and Baroness Orczy, and circuses, and Model Home exhibitions, and the acting of George Arliss, and the Widow Twankey, and other Dames, including Dame Laura Knight, and Elizabethan madrigals, and Bach and Peter Pan—not approved of—and Angela Thirkell, and E. M. Delafield, who are. It is about rummage sales and the relative values of French and English music-hall nudity, and Wayside Texts and modern journalism, and the art of the School Story, and old servants, and haunted houses, and queer cults, and Addison Road station, and James Agate, and "Main Street," and performing animals (disliked) and amusement arcades and convents, and burlesques in the styles of Henry James, Chekhov, and the writers of advertising copy for estate agents. There is a chapter on January sales, with the following specimens of shop assistants' jargon, presented in a block-capital isolation that is overwhelming in its absurdity:

"Will there be anything in a blouse?" "That comes more of a beige." "Madam wants to get more of a mole on to this." "Can I trouble you this way?" "And what would the name be again?" "And what may I have the pleasure?"

The book is highly quotable, but these phrases will do as well as any to show the method.

Political Man

"Government and The Governed," by R. H. S. Crossman. Ryerson. \$2.00.

BY B. K. SANDWELL

THE history of political theory is in the main the history of man's attempt to justify political practice. Political theory does not grow like a plant, or like an exact science, which is constantly adding more facts to its organized body of knowledge; it merely moves, like the line of a graph, changing direction from time to time in response to the operative forces. A knowledge of past directions and the forces which produce them is extremely useful for the consideration of present directions and the calculation of probable future directions. Mr. Crossman has done an able job in relating the movements of political theory in Europe, from the beginning of the modern nation state, to the various social, economic and political conditions which caused those movements. One of his most interesting observations is that the three existing forms of government which appear to be most at strife between themselves—Democracy, Communism and Fascism—"are infinitely more closely related to one another than they are to any political organization which existed in any of those three countries two hundred years ago." He suggests that it is because the resemblances are so great that the differences arouse such passionate feeling. While he deals fully with the French Revolution and the subsequent nineteenth century ideas, he still has plenty of space for Marx, British Socialism, the "Myth of Collective Pacifism," and the "Myth of National Socialism."

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THE BOOKSHELF

More British Secrets

BY EDGAR McINNIS

"Greek Memories," by Compton Mackenzie. Macmillan. \$3.50.

AFTER considerable delay—what with the Old Bailey and the Official Secrets Act and other similar stumbling-blocks—Mr. Compton Mackenzie has at last made public a further instalment of his account of the secret service in Greece during the first World War. It must be said that the wrath which descended upon him as a result of his earlier revelations does not seem to have impaired his frankness to any serious extent. There are a few instances where his narrative of particular events appears to tail off into an otherwise unaccountable vagueness; and a really careful examination of the book in the light of the other evidence available would no doubt reveal some significant gaps in Mr. Mackenzie's own testimony. But it must be admitted that, to the casual reader, the impression conveyed by this volume is one of frankness sharpened by a lively personal prejudice.

The book deals with a critical and exciting period in the relations between Greece and the Allies. The combined folly and double-dealing of Constantine had reached its peak in 1916. The surrender of Fort Rupel to the Bulgarians was merely an overt example of the intrigues in progress between the King and the Central Powers. In the face of that situation, the policy of the Allies, and particularly of Great Britain, seemed to have touched a new low for ineffectiveness and indecision. Within Greece itself the forces of revolt and civil war were brewing. In September, Venizelos established his own government at Salonika as a rival to the Royal regime in Greece proper; and the Allies dealt with both governments with impartial ambiguity.

This lack of a clear policy at the centre affected the activities of the secret service in various ways, and not least in the objective toward which those activities were directed. Mr. Mackenzie's particular concern was ostensibly the detection and the thwarting of enemy secret agents. But as his narrative goes on, the Germans tend to fall more and more into the background, to be replaced by more immediate adversaries. There were, of course, the usual feuds with other British organizations. No war memoir is complete without a revelation of the rivalries and cross-purposes between the various government departments, and this book is no exception. Between the Allies themselves there were similar rivalries. Mr. Mackenzie combines a frank and grateful acknowledgement of his indebtedness to his

French confreres with an equally frank discussion of the problem of preventing the complete French domination of the Near East. But even these struggles drop into the background as the breach between Constantine and the Allies becomes more and more open, culminating in an Allied blockade and bombardment and a Royalist outbreak against Venizelos and his supporters.

Before Mr. Mackenzie has finished, the reader is likely to find himself beset by a reluctant sympathy for the Greeks. The conduct of the King and his supporters was undoubtedly lacking in frankness, but the Allies on their part were hardly scrupulous in their respect for Greek rights. It is only too clear from this account that they were unprepared to let any such abstractions as neutrality or diplomatic immunity interfere with their purposes. Mr. Mackenzie himself was ready to take a pretty high hand when it came to bringing pressure on the government or checking the activities of the agents of the Central Powers. His account of the seizure of Hoffman, one of Germany's most efficient agents, is rather appalling in its implications for any reader who thinks that bullying and illegality was a monopoly of the Central Powers.

It all, however, makes very lively reading. It would be still better if Mr. Mackenzie confined himself to straight narrative and left controversy alone, but there are plenty of exciting episodes, and a number of characters who are a delight to both the author and the reader. The book will still occupy a minor place in the literature of the war; but it is a most readable sidelight on one of the war's minor and less attractive aspects.

But Should We?

"Scratch the Surface," by Edmund Schiddele. George J. McLeod. \$2.50.

BY MARIE CHRISTIE

THIS novel definitely belongs to the lavatory school of fiction, yet one reads it with a good deal of interest. It is a love story (wasn't there a rather good poet who said "one word is too often profaned for me to profane it"?), packed with not too well baked psychology but with occasional flashes of sharp insight. Its author is reported to have been told by Gertrude Stein in 1934 "to begin again and go easier" and one feels Miss Stein's advice is considerably more explicable than her prose. Mr. Schiddele is pretty intense still.

"Scratch the Surface" is not an important book in any sense of the word and it is quite possible its young author will regard it without pride in years to come, for he is a bright boy. It is worth a reviewer's space for discussion because it represents a school of thought which unfortunately has chosen letters for its means of expression in the last decade or so. It was established presumably in the fog after the late war and has flourished in the shadow of the present catastrophe. No one can be blamed for it, but surely no one should be congratulated on it. Sloppy thinking has brought it on ourselves.

All the characters in "Scratch the Surface" are young, unmoral and bewildered. They drink heavily and regard work as something to be sought for avidly—as an occupation between drinks. There is a heroine with the lovely name "Persis," an out-of-work hero, and a villain named Carleton who is the hero's best friend. The action of the piece occupies two days. Everyone is very frank and no one plays inside the rules. They don't know there are any rules.

I should think this "Novel of Manhattan," as it is called, will sell very well. But it will not affect literature's advance or retreat. Have none of us grown up since the last war at all?

Crime Calendar

BY J. V. McAREE

IN READING "Murder for the Asking," by George Harmon Cox (Ryerson, \$2.25) we had the odd and not disagreeable impression that over one of our ears was a seashell murmuring of Dashiell Hammett, and over the other a shell from which came the soft whisperings of Erle Stanley Gardner, which is a rather awkward way of saying that Mr. Cox is considerably indebted to both these authors. But his book, in the main, is a satisfactory one. It contains some sound deductions on the part of the private detective and does not lack for excitement. . . . It seemed to us impossible that "Cold Steel," by Alice Tilton (McLeod, \$2.25) could maintain its early pace to the end, and so it proved to be. Despite this defect, the commonest perhaps in detective stories as a whole, we found it entertaining, and as it appears to be only Miss Tilton's second it is likely enough that she will develop literary stamina as she goes along. . . . "The Case of the Rolling Bones," by Erle Stanley Gardner (McClelland and Stewart, \$2.25) must be rated one of his best. It has the swift pace to which Gardner fans look forward and the usual court scene which provides the inevitable drama. The chief fault we have to find with this book, as with all the Perry Mason stories, is the superhuman feats of Paul Drake, the private detective. It is incredible to us that he can within a few hours, maybe in the middle of the night, amass such a collection of facts about mysterious persons who have either retained Mason as their attorney or have assassinated his clients and witnesses. . . . "Murder Between Dark and Dark," by Max Long (Lippincott, \$2.25) is laid on one of the Hawaiian islands and introduces a native detective who the publishers fondly hope will remind the reader of Charlie Chan. He doesn't. Apart from the scenery there isn't much to this story though it held our attention for a full reading. . . . "Show Business," by Bryant Ford (Dodd, Mead, \$2.25) is a fast-moving New York story dealing with theatre people. It is exciting and has considerable incidental humor. . . . Something of the same type, but an all-round better book is "Murder in Style," by Emma Lou Fetta (Doubleday, Doran, \$2.25). The mystery is baffling enough and the detection up to standard. The characters are interesting in themselves. It has a fault which it shares with "Murder Between Dark and Dark," namely that the sleuths are unable to close the case without forcing a confession by a trick. "Show Business" has the same weakness. . . . "Death in Arms" is an English story

by R. Philmore (Collins, \$2) and is pretty fair but not up to the standard set by the author in his "Short List." It concerns actors and spies and gun running. . . . The best of the list noticed this week is "The Nineteenth Hole Mystery," by Herbert Adams (Collins, \$2). The style is urbane, the characters lifelike, the mystery profound enough and the sleuthing more than competent. Incidentally one learns quite a bit about golf. . . . "The Girl in the Cage," by Cortland Fitzsimmons and Jonn Mulholland (Stokes, \$2.25) is chiefly notable for two oddities. One is that Mr. Mulholland is a professional magician. The other is that the story is related by a priest. It concerns sleight-of-hand, gambling and a missing \$100,000, the proceeds of a robbery. The murders are numerous enough, but perhaps might with advantage have included whichever of the authors wrote the dialogue.

The New Books

GENERAL

"Let the Record Speak," by Dorothy Thompson. Thomas Allen. \$3.25. The celebrated American commentator has collected her columns on Europe.

"Iron Brew," by Stewart H. Holbrook. Macmillan. \$2.75. The history in romantic terms of the iron and steel industry in the United States.

"The Day-by-Day Cook Book," by Demetria Taylor and Gertrude Lynn. Mussen. \$2.50. Balanced menus for every day of the year, with 1,037 tested recipes.

FICTION

"Doctor's Oral," by George R. Stewart. Macmillan. \$2.25. A story of University life by the author of "East of the Giants".

"Gentlemen of Stratford," by John Brophy. Collins. \$2.50. A novel based on the life and times of William Shakespeare.

"Christ in Concrete," by Pietro Di Donato. McClelland & Stewart. \$2.50. The struggles of an Italian immigrant family in the world of labor.

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MUSICAL EVENTS

Warime Tastes in Music

By HECTOR CHARLESWORTH

THERE is a disturbing rumor afloat that the authorities in charge of network broadcasting in Canada have decided, in view of the present conflict, to abandon musical and dramatic programs of a serious artistic character, and concentrate on what is erroneously known as "light" entertainment. If this be true it signifies a serious ignorance of public reactions to music in the last war, and a very narrow conception of popular taste.

During the last war, in Canada and in other countries, the demand for good music increased as the strain grew greater. Canada at that time had no symphony orchestras comparable with those of today, but in Great Britain, where they did exist, the demand for good orchestral programs was intense even in the days of darkest anxiety. In Canada the sales of expensive records, recording instruments and pianos increased to a point where financial solons became alarmed lest the public was "wasting" too much money in this direction. The appetite for good music took a great step forward everywhere. It was during the war that the Cesar Franck Symphony leaped from the status of an unfamiliar work to a position of widespread popularity. Another composition which seemed to bring solace to aching hearts was Schubert's Unfinished Symphony, and the same may be said of the major works of Beethoven. With reference to the latter it should be remembered that much of Beethoven's finest music was composed in Vienna during the years when that city was harassed by the horrors of the Napoleonic wars, and was an expression of the spiritual emotions of a troublous time.

During the last war there was of course no radio. Since that day and through that medium the appetite for, and the knowledge of, the higher order of music has immeasurably increased. It is absurd to assume that the war has "blackened out" the tastes so created, and that under present discontents the public will find more solace in "swing" and Viennese waltzes than in such a work as the "Unfinished Symphony."

So far as dramatic entertainment is concerned the public in times like these demand the best that radio can give them. To suggest that the jibber-jabber of so-called "popular" entertainment will meet the emotional and intellectual needs of the public betokens a low view of human nature.

Classics Heard at Proms

Last week's Promenade Symphony concert at Varsity Arena provided a clear demonstration that public appreciation of serious music is in no way diminished by wartime conditions. The audience, numbering over 3000, was a real cross-section of the Toronto community, and it so happened that the program was one of unusual distinction in which classic composers like Bach, Handel, Weber and Brahms were heard, in addition to famous modern composers. Universal appreciation marked the presentation of the first two numbers; works by Handel and Bach of a type quite unknown on popular orchestral programs thirty years ago.

The first was Handel's early Concerto Grosso, opus 3, No. 2 for Oboe and Strings, a serenely lovely and melodious work, in which the strings were originally augmented by a harpsichord. The music for the latter instrument was played with elegance and clarity by Leo Barkin, and Dirk Van Emmerik provided a beautiful rendering of passage work for the oboe. The noble quality of the string sections of the Proms orchestra has seldom been more in evidence; and this was also true in the number which followed, Bach's Concerto in C major for two pianos and orchestra. The work itself is rather pedestrian, as though listeners of Bach's period had plenty of time on their hands, but it is rich in the gracious idiomatic qualities which make the composer's music recognizable at all times. Most examples of Bach heard on the orchestra are modern arrangements, but this Concerto was played as originally penned. It is really a work for two key-boards with occasional accompaniment. The guest artists were the famous Canadian duo piano team,

Scott Malcolm and Reginald Godden. They were completely en rapport with each other, and their execution was captivating in touch and tonal substance.

From Bach to William Walton is a long leap both in time and technical conceptions. It was a first hearing for many of the modernist's overture "Portsmouth Point,"—a robust, ingenious and at times stentorian work. Despite its rejection of tradition, its jocund suggestion of the sea and sailors made it fascinating. It is a difficult work and Mr. Stewart and his players gave a capital account of themselves. Enesco's Roumanian Rhapsody, No. 1, was played with rhythmic appeal, but without the peculiar tang and frenzy that Enesco himself gives to it. Weber's "Invitation to the Waltz" was in contrast with the berserk March from Verdi's "Aida," and Mr. Stewart finally brought down the house with a group of national hymns, including that of Poland.

Tragic Fate of Composer

In a recent guest appearance on the air with "Melodic Strings" the eminent English conductor, Leslie Heward, presented a work entirely new to Canadians; the "Capreol Suite" based on old English dance forms by Peter Warlock. It is a vivid, piquant and delightful work which many will desire to hear again, and was brilliantly and expressively conducted. The composer, who died in London in 1930 at the age of 36, was in artistic sense a dual personality. His real name was Philip Heseltine, and over that name he edited and wrote extensively on old lute-songs and other types of Elizabethan music. He was also a disciple of Delius and arranged orchestral works of that composer for the pianoforte. Though a minor genius he was sensitive and diffident about his own compositions, nearly all of which are original and charming, and preferred to hide under a pseudonym. A number of his works for wood-wind were published by the Carnegie Trust after his death. The English critic Percy Scholes, who knew him, says: "He united the highest ideals in art with a cynical view of human life, and he died despairing, apparently by his own hand."

In connection with the annual musical competitions at the Canadian National Exhibition four scholarships are awarded to candidates in various classes who in the opinion of the adjudicators are "outstanding." It is provided that these contestants need not necessarily be prize-winners. This year the majority of the awards went to Toronto aspirants, though there was a large entry from other Ontario centres. The awards have been announced as follows: Women's vocal department, Jean Innis, Toronto; men's vocal department, William Bush, Toronto; piano, Annie Drake, Stratford; violin, Charles Doblas, Toronto. This year's competitions, like those of the past eighteen years, were under the supervision of Capt. J. S. Atkinson, Director of the Canadian Bureau for the Advancement of Music, whose efficiency and courtesy in handling multifarious details again met with widespread praise.

Lawrence Gilman's Death

The death of the distinguished musical critic, Lawrence Gilman of the New York Herald-Tribune, is a reminder that for a period of nearly sixty years the musical columns of the Tribune have been presided over by but two men, the late Henry Edward Krehbiel, who served as its music critic from 1880 to 1923, and the late Mr. Gilman who succeeded him. The latter, twenty-five years younger than his predecessor, was born in July, 1879, but had had no experience in the routine of a daily newspaper critic, taking the fat with the lean, until he joined the Tribune staff at the age of 44. He was however a renowned musical essayist, who between 1901 and 1914 had published several books on the subject to which he was devoted. He was also a noted executive in connection with periodicals, and had been associated with Col. George Harvey in the conduct of Harper's Weekly and the

North American Review, of both of which he had served as editor. He wrote beautiful sensitive English and was a discerning literary critic.

Musically he was a Wagner idolater, a fact which colored all his criticism. This idolatry dated from early youth. As a native of Flushing, Long Island, he was as a boy able to go to New York and hear Wagner productions at the Metropolitan Opera House. "Tristan and Isolde" so captured his imagination that he saved his pennies to buy a score, and used to take it to bed with him at nights and puzzle over it, at an age when the average lad of his years was surreptitiously reading tales of adventure. With this beginning he taught himself piano, organ, harmony and theory entirely unaided. Of his early books the most valuable is his life of the eminent American composer, Edward A. MacDowell, first published in 1905 and in extended form in 1909. Of late years he won wide fame as program annotator for both the New York Philharmonic Orchestra and the Philadelphia Orchestra. From 1933 to 1935 he was commentator on the Sunday afternoon broadcasts of the former orchestra, but though his words were beautiful and thoughtful, he was inclined to talk over the heads of the majority of his listeners. He was finally superseded by Deems Taylor who provided a more intimate and popular style of discourse. Mr. Gilman's idolatry of Wagner was such that latterly no conductor save Toscanini could live up to his ideal of how Wagner's music should be interpreted, and he was often captious toward other conductors of high standing. The most important book of his latter years was one on Richard Wagner published two years ago. It was based on material long suppressed by Frau Cosima Wagner, but released after her death by Siegfried Wagner. The reason for this suppression was never clear, and Mr. Gilman was enabled to take his readers right into Wagner's workshop and show the germs and beginnings of works that did not come into flower until years afterward.

Canadian Wins in Opera

Six years ago a young Calgary lyric soprano, Norma Piper, daughter of Dr. W. A. Piper, made several appearances on the national network and proved herself a singer of high promise. She was also well-endowed in respect of personality and physical beauty. Subsequently she went to Italy, where she has remained ever since. She married a singer and is now known as Madame San Giorgio. This summer a new opera-house was completed at Manila, capital of the Philippines, and an Italian Opera Company engaged for a three months season, embracing four performances a week. Norma San Giorgio has been engaged to sing the leading coloratura roles in Verdi's "Rigoletto;" Donizetti's "Lucia;" "Don Pasquale;" and "Ellis d'Amore;" Bellini's "La Sonnambula;" Verdi's "Traviata;" and "The Masked Ball;" and Thomas's "Mignon." It is obvious that the Miss Piper of former Calgary days has made very good use of her opportunities and built up a most extensive repertoire.

The Canadian conductor Wilfrid Pelletier recently returned to America with his wife, the distinguished Metropolitan soprano Rose Bampton, after a triumphal season in South Africa. The prima donna sang fifteen concerts in the first extended subscription series to be organized in that Dominion, and Mr. Pelletier conducted orchestras in several cities. The events were organized on the Community Concert system and audiences were invariably large and enthusiastic. The trail thus blazed will be followed shortly by the famous American tenor, Richard Crooks, and the Scottish duo-piano team, Ethel Bartlett and Rae Robertson.

Two distinguished guest artists were heard in the weekly broadcast from Montreal known as "Summer Concert" on September 19. The conductor was Arthur Collingwood, an able English musician, for several years associated with the University of Saskatchewan at Saskatoon, who had with him the brilliant lyric tenor, Joseph Victor Laderoute, one of the most promising singers Canada has produced.

Winnipeg's New Conductor

James Robertson, the young British conductor who was recently brought from London to become conductor of the Philharmonic Chorus of Winnipeg and the Winnipeg Male Voice Choir, is now busily engaged in organizing the season's activities. The major work the Philharmonic will present will be new to Canada, Dr. George Dyson's "Canterbury Pilgrims" for soloists, chorus and orchestra. Dr. Dyson is a Yorkshire composer whose compositions in various fields have won critical esteem abroad. It was on his recommendation that Mr. Robertson was engaged to succeed Dr. Herbert Sadler, who retired from his Winnipeg appointments last spring.

Two young Montreal musicians, new-comers to radio, Noel Brunet, violinist, and Jeanne Servette, pianist, were heard recently in a finished performance of Franck's Sonata in A major. It is a very beautiful work composed in 1886 and dedicated to the great violinist, Eugene Ysaie.



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TOTEM WINNER. For the first time in the history of the competition the famous Totem Pole Trophy this year went to the United States Pacific coast. Long driving Don Thompson of Portland, Ore., defeated Dr. G. E. Bigelow of Prince Albert, Sask., in the final of the international tournament at Jasper Park Lodge, Alberta.

—Photo courtesy Canadian National Railway.

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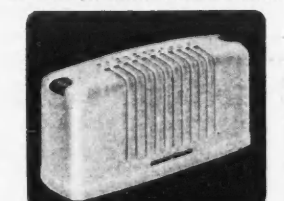
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FILM PARADE

Pulitzer Prize - Screen Version

BY MARY LOWREY ROSS

YOU have to wait a long time for the interest to develop in "The Old Maid." The critical conflict—a real Pulitzer Prize situation—arrives when the two sisters, Delia and Charlotte, are finally shut up together in their fine Victorian house, with hell in their hearts and nothing but propriety before the servants on their lips. It's worth waiting for, but oh what a long time it takes in arriving. Three house-weddings and the Civil War, a full hour of pictorial explanation, is needed before the camera is able to focus steadily and relentlessly on its story.

"The Old Maid" is a faithful screen-transcription of the original stage play. Too faithful perhaps. The Pulitzer Prize drama, while a competent piece of stage craftsmanship, is not so competent that the scintillations don't show occasionally through the masonry. The characters here are visibly manipulated into their final fatal positions. A lover must be killed off in the Civil War, a husband must be disposed of in a fall from a horse and a suitor must be humiliatingly connived out of the action before the sisters (Bette Davis and Miriam Hopkins) can yield themselves to the corroding enmity that is the central theme of the story. These final sequences occupy rather less than a third of the running time of the picture, but thanks to Bette Davis, they have a power and subtlety beyond anything the screen has given us since "Wuthering Heights."

Malignant Touch

"The Old Maid" in fact represents another of Bette Davis's dark victories over her persistently sunny medium. No one but Miss Davis could have made Charlotte's irrational tragedy so formidable and moving. "I like bitchy parts," Miss Davis once remarked in an interview. And while the role of Charlotte in "The Old Maid" wasn't written originally as a "bitchy part," Bette Davis has added here a touch of malignancy that gives the portrait unexpected validity. As she plays it, it is hate rather than love that moulds Charlotte, turning her from a gentle ardent girl to the wasp-waisted, wasp-tempered, sick-souled Charlotte of the later sequences. This is no sentimental portrait of thwarted mother-love such as we are accustomed to on the screen. Bette Davis "Old Maid" is a bottled human creature gone sour and rancid; and it is the ferment of jealous hatred rather than maternal love in her soul that blows the cork, in one explosive scene after another between the two embattled sisters. The final

sequence, showing Charlotte and Delia reconciled, their arms entwined, is not, one feels so much a false as a temporary resolution of their enmity. Charlotte will never forgive Delia. She will go on hating her forever, brooding among her sullen memories in the empty house.

Miriam Hopkins' Delia is a lesser but no less subtle characterization. Delia is a luckier Charlotte, unyielding under her gentleness and unscrupulous enough to seize every advantage. Between them they manage to sum up in one tragic human situation the whole range of self-deluding emotion and invincible propriety characteristic of their period.

The other players are naturally mere accessories to the action. Jane Bryan as the daughter was a little over-ardent and girlish. Donald Crisp's Dr. Lenskill was warmly and sympathetically played, but the role was obviously a left-over from the stage version. The central "confidant" before whom each character in turn can take down her hair for the enlightenment of the audience, is a pure stage-convention, unnecessary to the screen, where the camera, ranging widely and omnisciently, can tell the audience everything it needs to know.

Revised Version

A small child somewhere in the audience howled frantically through the more terrifying sequences of "The Wizard of Oz." It made one reflect that the Victorians, for all their oddities, were a good deal more humane and sensible than ourselves. They put their little ones to bed at night, with a drop or two of paregoric to soothe them. They didn't drag them out to look at green-faced witches thirty feet high.

However, older children and younger adults will enjoy the screen version of the Frank Baum classic. It isn't by any means the fantastic colored day-dream of our childhood. It's much modernized here, with contemporary wise-cracks, over-literal technicolor and over-varnished landscaping. The Wizard, the Tin Woodman and the Scare Crow are local and recognizable figures and I thought I detected the presence of a zipper in a close-up of the Cowardly Lion. Altogether it's very much a revised or Moffat edition of the original text. However, the younger generation by this time is accustomed to getting its fairy-tales from the screen and probably likes them that way.... Clifford Odets' "Golden Boy" has been carefully reshaped into fami-



HEDY LAMARR, much-talked-of European screen star, whose latest vehicle is "Lady of the Tropics" in which she appears with Robert Taylor.

liar fight melodrama with romantic extensions to give Barbara Stanwyck plenty of opportunity for her teeth-clenched dramatics. A good deal of the vigor and flavor of the Odets' dialogue is retained, however, and the fight-photography is brilliant enough from the pictorial point of view to make up for its conventionality.

TRAVELERS

Mrs. F. N. G. Starr has returned to Toronto after spending several weeks at her summer house at Go-Home Bay, Georgian Bay.

Lady Lindsay, wife of the former British Ambassador to the United States, has left New York to spend several weeks on Long Island.

Miss Molly Greene and Miss K. Gartsch, who were in Europe for the summer, have returned to Hamilton.

Mrs. Gordon Cameron and her two children have returned to Toronto from Cape Cod, where they spent the summer.

Mr. and Mrs. Richard Fulford and their children have returned to Toronto from their summer house at Brockville.

Mrs. Ralph Hodgson, of London, England, has arrived in Canada and is the guest of her nephew, Mr. John Arnold, in Toronto. Later she will

visit Mrs. Norman Prentice in Montreal, and will also go to Shawinigan Falls, where she will be the guest of her brother, Mr. Donald Fraser.

Mrs. H. T. Whittemore and Miss Georgina Whittemore, formerly of Calgary, have taken up residence in Toronto.

Lady Price has returned to Quebec from her summer house at Tadoussac.

Mrs. Stratton Osler and her daughters, Miss Mary and Miss Ruth Osler, who spent the summer at Sandy Cove, N.S., and Cobourg, have returned to Ottawa.

Royal Visit Photo Competition

AS WAS announced at the beginning of the Competition, the final awards of prizes for the best Royal Visit Photographs have to be made from the special salon prints which are being made by "Jay" from the negatives sent in by the competitors. It has taken a long time to get these negatives into the office of SATURDAY NIGHT, partly no doubt owing to the absence of some competitors on vacation; and we are only now able to announce the names of those whose pictures will make up the album to be presented by SATURDAY NIGHT to Their Majesties in the name of the amateur photographers of Canada as a memorial of their visit to the Dominion. The prize-winners cannot be announced for another two or three weeks.

The making of these prints is now well under way, and "Jay" reports that it is going to be extremely difficult to pick the general prize winner and the three regional prize winners, owing to the uniformly excellent quality of the entries.

The following is the list of those whose negatives have been asked for and sent in. The fact that there are slightly under a hundred of them is due to a few having entered more than one picture which impressed the judges as suitable for the album. The album when completed will contain not less than one hundred prints, coming from every part of Canada and from every kind of community, from the largest cities to the smallest villages:

Anderson, Miss Helen, 1946 Comox St., Vancouver, B.C.
Bailey, Glen, 171 Chaplin Cres., Toronto.
Barrow, Bruce Gore, 41 de Salaberry Ave., Apt. 2, Quebec, Que.
Basham, F. W., Salem, Wellington Co., Ont.
Benjamin, R. Allen, 49 Lyle St., Dartmouth, N.S.
Bird, John H., Bracebridge, Ont.
Bourke, Marguerite, 10 College St., Port Arthur, Ont.
Cameron, Joseph Allan, 469 Omineca St. E., Moose Jaw, Sask.
Chandler, Maurice No. 3, 271 Michigan St., Victoria, B.C.
Cogdon, George B., 528 Waterloo St., London, Ont.
Coristine, J. F. R., 5890 Cote St. Antoine Rd., Apt. 15, Montreal, Que.
Cox, H. G., 2011 Marine Drive, New Westminster, B.C.
Crooks, William S., 323 Queenston St., Winnipeg, Man.
Crosby, David Y., 72 Baker St., Sudbury, Ont.

Cunningham, R. M., 151 Second Ave., Ottawa.
Davies, M. I., 209 Lazard Ave., Town of Mount Royal, Que.
Dawe, Walter S., Beaver Rd., Royal Oak, Victoria, B.C.
Eastman, James Richard, 309 Front St., Ottawa, Ont.
Eccles, John, O.A.C., Guelph, Ont.
Farah, H., 60 Tower St., Kirkland Lake, Ont.
Felteau, Miss Alice, 86 Scott St., Quebec, Que.
Firth, W., Unity, Sask.
Fleetwood-Morrow, J., 394 Bloor St. E., Toronto.
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Gray, H. J., 1066 St. Patrick St., Victoria, B.C.
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Gully, F., 406 13th Ave., N. E., Calgary, Alta.
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Isbister, James A., 2742 Wolfe St., Calgary, Alta.
Johnstone, G. Harold, 2 Binney St., Halifax, N.S.
Lawson, H. Douglas, 256 10th Ave. N.E., Calgary, Alta.
Lee, John H., 613 Carnegie Ave., Oshawa, Ont.
McAllister, E. E., 659 Vaughan Road, Toronto.
McEachern, J. M., M.D., 215 Medical Arts Bldg., Winnipeg, Man.
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McHallam, John, 1060 Hall Ave., Windsor, Ont.
Macmillan, James S., 27 Dexter St., St. Catharines, Ont.
McRae, George W., 186 Snowdon Ave., Toronto.
Marchand, Miss Corine, White River, Ont.
Mason, Mrs. D. K., Georgetown, Ont.
Mawer, T. F., Weyburn, Sask.
Miller, J. E., 22 Carlton St., Toronto.
Millman, Peter M., 181 Melrose Ave., Toronto.
Mitchell, Miss Della, 22 Willcocks St., Toronto.
Mitchinson, Miss Dorothy E., Box 196, Unity, Sask.
Montgomerie, W. Craig, 490 Spence St., Winnipeg, Man.
Mott, Miss K. Stella, Norwich, Ont.

Morrison, G. H., 305 Mackay Bldg., Sudbury, Ont.
Neil, J. P., 288 Lakeshore Ave., Centre Island, Toronto.
Nicol, A. S., 232 6th Ave. S. W., Calgary, Alta.
Norton, Florence E., 3 Wilde Ave., Sault Ste. Marie, Ont.
Ogilvie, Miss Mary A. H., 834 Pemberton Rd., Victoria, B.C.
Perrey, Edith F., 217 27th St. W., Saskatoon, Sask.
Piers, W. B., Bank of Montreal, Haney, B.C.
Powis, Barbara M., 94 Duke St., Hamilton, Ont.
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Raye, Winefride, 260 Metcalfe St., Ottawa.
Rhynas, Murray, 86 Glenview Ave., Toronto.
Rowland, M.J., Experimental Station, Kapuskasing, Ont.
Rowse, E. H., 1329 15th Ave. W., Calgary, Alta.
Russell, Hugh M., 2370 Rushbrooke St., Montreal, Que.
Ruttan, Henry N., 16 Kilbarry Rd., Toronto.
Seaman, Mrs. P. L., Nobleford, Alta.
Sheffield, E. F., 3621 Decarie Blvd., Montreal, Que.
Smyth, William C., Portneuf, Portneuf Co., Que.
Sutherland, Mrs. J. K., 1091 Broughton St., Vancouver, B.C.
Swanborough, W. M., 22 Baker St., Hamilton, Ont.
Taylor, Miss Cory, 55 Glen Rd., Toronto.
Taylor, Mrs. Norman, Trin. Col. School, Port Hope, Ont.
Thompson, J. G., 5234 Ponsard Ave., Montreal, Que.
Tomlinson, R., 3328 West 30th Ave., Vancouver, B.C.
Vanderploeg, J. S., 5 Lynngrove Ave., Toronto.
Vila, J. W., 84 Homewood Ave., Hamilton, Ont.
Vroom, Alan H., 32 Union Blvd., St. Lambert, Que.
Wallace, Miss M. J., 5 Frontenac Apts., Regina, Sask.
Watters, Miss Mary, c/o Mrs. Norman Taylor, Trin. Col. School, Port Hope, Ont.
Webb, H.R., 8125 112th St., Edmonton, Alta.
Williams, R. H., 170 Cline Ave., Hamilton, Ont.
Wilson, W. H., Alcazar Hotel, Vancouver, B.C.
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Wurtele, Ann L., Goderich, Ont.

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THE WEEK IN CANADA

Resigned:

SIR HERBERT MARLER, Canadian Minister at Washington, because of ill health. Named Minister to Washington in 1936, Sir Herbert succeeded Hon. W. D. Herridge. Previous to the Washington appointment, he was Canadian Minister to Japan, an appointment he held for 7 years. During the 3 years he headed the Canadian Legation in Washington, Sir Herbert worked untiringly, and when, early this summer he was taken ill, he was rushed to Montreal where he has been under treatment. Lady Marler tendered her husband's resignation to Prime Minister Mackenzie King who accepted it with a warm tribute to the retiring Minister in the House of Commons. So ill was Sir Herbert Marler that he had not even been informed that Canada was at war.



Appointed to the post vacated by Sir Herbert Marler was LORING CHRISTIE, a thorough-going career diplomat with a background which covers the first Great War.

Born 52 years ago at Amherst, N.S., Mr. Christie graduated from Acadia University and studied law at the Harvard University Law School. In 1913 he was appointed legal adviser to the Department of External Affairs and throughout the War was closely associated with Sir Robert Laird Borden, Canada's war-time Prime Minister. He attended the Imperial war conferences, the peace conference in Paris, and the Washington conference on limitation of armaments in 1921-1922, when he was for a time

secretary of the British Empire delegation. Delegate to the 6th conference of the governing body of the International Labor Office, he was also a member of the British Debt Funding Mission to the United States in 1923. In the course of a brilliant career, Loring Christie has been editor-in-chief of the Harvard Law Review, assistant to the Solicitor-General of the United States, has done legal and financial work in London, Eng., Montreal and Toronto, resuming his duties with the Department of External Affairs in 1935. He is the fourth Canadian to go to Washington as His Majesty's Envoy Extraordinary and Minister Plenipotentiary.

Re-Enlisted:

COLIN BARRON, V.C., almost 25 years to the day after he volunteered for service in the first Great War. First V.C. to enlist for active service in Toronto, Barron last week signed up "for the duration" as a private in the Royal Regiment of Canada and began drilling almost immediately for service against Germany. A blacksmith by trade, he was declared by medical examiners to be in fine physical condition.



From 1914 to 1918 Barron fought with the 3rd Battalion, C.E.F., and won his Victoria Cross as a corporal in November, 1917. Aged 23, he was the youngest Canadian to hold this decoration. The official citation: "When his unit was held up by 3 machine guns, Corporal Barron opened on them from a flank at point blank range, rushed the enemy guns single-

handed, killed four of the crew, and captured the remainder. With remarkable initiative and skill he turned one of the captured guns on the retiring enemy."

Appointed:

HON. BRADFORD W. LEPAGE as Lieutenant-Governor of Prince Edward Island, to succeed Hon. George Des Brisay De Blois. Born in Rustico, Prince Edward Island, on February 19, 1876, the new Lieutenant-Governor was educated at the Country School. One of the foremost business men in the Maritimes, he is president of the LePage Shoe Company.



First elected to the Prince Edward Island Legislature in 1919, Mr. LePage was for a time Acting Premier and served as Minister without Portfolio in the Saunders and Lea ministries and was appointed President of the Council in the present government of Hon. Thane Campbell on January 14, 1936. In the Legislature he holds the second Queen's seat. He will assume his duties on October 1, 1939.

Placed:

By COLONEL G. P. VANIER, Canadian Minister to France, a wreath on the tomb of the Unknown Soldier in Paris, France. The Canadian flag, borne by Marcel Porchon, Canadian veteran resident of Paris, and a color guard



LORING CHRISTIE
—Karb, Ottawa.

composed of Theo Dube, 79-year-old dean of the Canadian colony in Paris, and Colonel Hercule Barre, commercial attache of the Canadian Legation, preceded Colonel Vanier. Walking with a cane necessitated by Great War injuries, Colonel Vanier laid beside the eternal flame in Arc de Triomphe a wreath of lilies and roses. On it was the inscription "1914-1939. Adsum. Canada." Its translation: "I am here."

Related:

In London, Eng., THE TALE OF THE WEEK. It seems that one of the aviators who took part in a leaflet raid over Germany returned to his base four hours after the other planes had landed. "Where the blinky blank have you been?" asked the squadron leader. "Why," answered the intrepid aviator, "It was so quiet in Germany that I landed and shoved the leaflets under the doors."

Oil in a Forest in N.B.

BY KENNETH JOHNSTONE

Since this article was written Premier Duplessis has drawn attention to the discovery of a promising oil field in the Gaspé peninsula and the formation of a company to work it under the supervision of the Quebec government. This suggests that the conditions producing the New Brunswick deposits extend across the Baie des Chaleurs into the adjoining province.

NONSENSE! You do not find oil in forests. You find it on vast windswept plains like those in Oklahoma, in the Turner Valley, in Mexican deserts. You probably refer to the groups of derricks there that give the impression of a forest. If so, your title is very misleading, and you should correct it.

No, lady. I mean what I say. "Oil in a forest." And I mean right here in Canada. But, removing the supercilious expression for a moment, I will confess that I shared your impression until I visited Moncton, New Brunswick, and saw the darned thing myself.

Probably no more than a few thousand Canadians know that there is oil in Eastern Canada, let alone knowing that it is drilled in a thick forest in Albert County, eleven miles out of Moncton. And only a few dozen experts know that in the same area there is some eight thousand square miles of oil-bearing sand, vast salt deposits, and a bed of glauconite 100 feet thick mingled with it. For the benefit of the eleven million Canadians who don't know what glauconite is, I should advise that its only known occurrence in the world is precisely here, and that it is an ore bearing 50 per cent sodium sulphate. Sodium sulphate is one of the most valuable essentials to modern industry that exist, and the estimated quantity of sodium sulphate in the bed is just twenty million tons.

But that is taking us away from the oil in the forest, and the intensely interesting story of a man's conceit that is connected with it.

Oil Where You Find It

If you happen to be in Moncton in the summer-time—and it's a grand place to be—drop around to the Brunswick Hotel and see if you can meet Dr. John A. Henderson. He comes to Moncton every year around June or July and goes back to England in November. You will find him a kindly, white-haired, benevolent-looking person with glasses and a gentle glance. Dr. Henderson is an oil expert. Most of the active years of his considerable life have been spent searching for oil, sometimes (as during the Great War) for the British Government. He makes a specialty of finding oil where other geologists deny its existence or declare it an uneconomic proposition. The Trinidad oilfields, for instance, were successfully drilled by Dr. Henderson, with an initial flow in the hundreds of thousands of barrels, after a series of expert geologists had declared it impossible to reach the oil.

His quest for oil has taken Dr. Henderson to every part of the earth, and to every major oilfield known. He knows his business, does Dr. Henderson, and he is the man responsible for the finding of oil in the wilds of Alberta County.

It was back before the great war that Dr. Henderson decided from a careful geological survey of the area that there was oil in the natural basin formed along the Petitcodiac River.

He drilled—and found gas. He piped the gas into Moncton, and after some difficulty persuaded the townfolk that gas was cheaper, quicker, more efficient than wood, coal-oil, and other heating and lighting agents.

In the same gentle but firmly persuasive manner, Dr. Henderson succeeded in convincing some dozen or so fellow-Scots back home that they should invest with him in the enterprise, and the New Brunswick Gas and Oilfields Limited was forthwith formed. Canadian capital, sceptical, was not interested, and Dr. Henderson did not feel any burning urge to build a great corporation. So, from around 1911, the Company served Moncton with gas, some \$8 millions worth in the course of that time, made itself a steady and respectable dividend all during that period, and today continues to exploit the seemingly inexhaustible supply of natural gas that lies over the oil.

Some 115 wells have been drilled during that time in the very small sector that is but a fraction of the 10,000 square miles which constitute the holdings of the Company. Up to 18 million square feet per day can be taken off the gas-wells. The gas is unusually pure, with none of the odor usually associated with the commercial gas we use in cooking ranges. It yields 1500 b.t.u.'s per cubic foot, with nine cubic feet equal to one horsepower hour. Sold at 40 cents per thousand cubic feet, to Moncton householders it represents a more economic proposition than electricity.

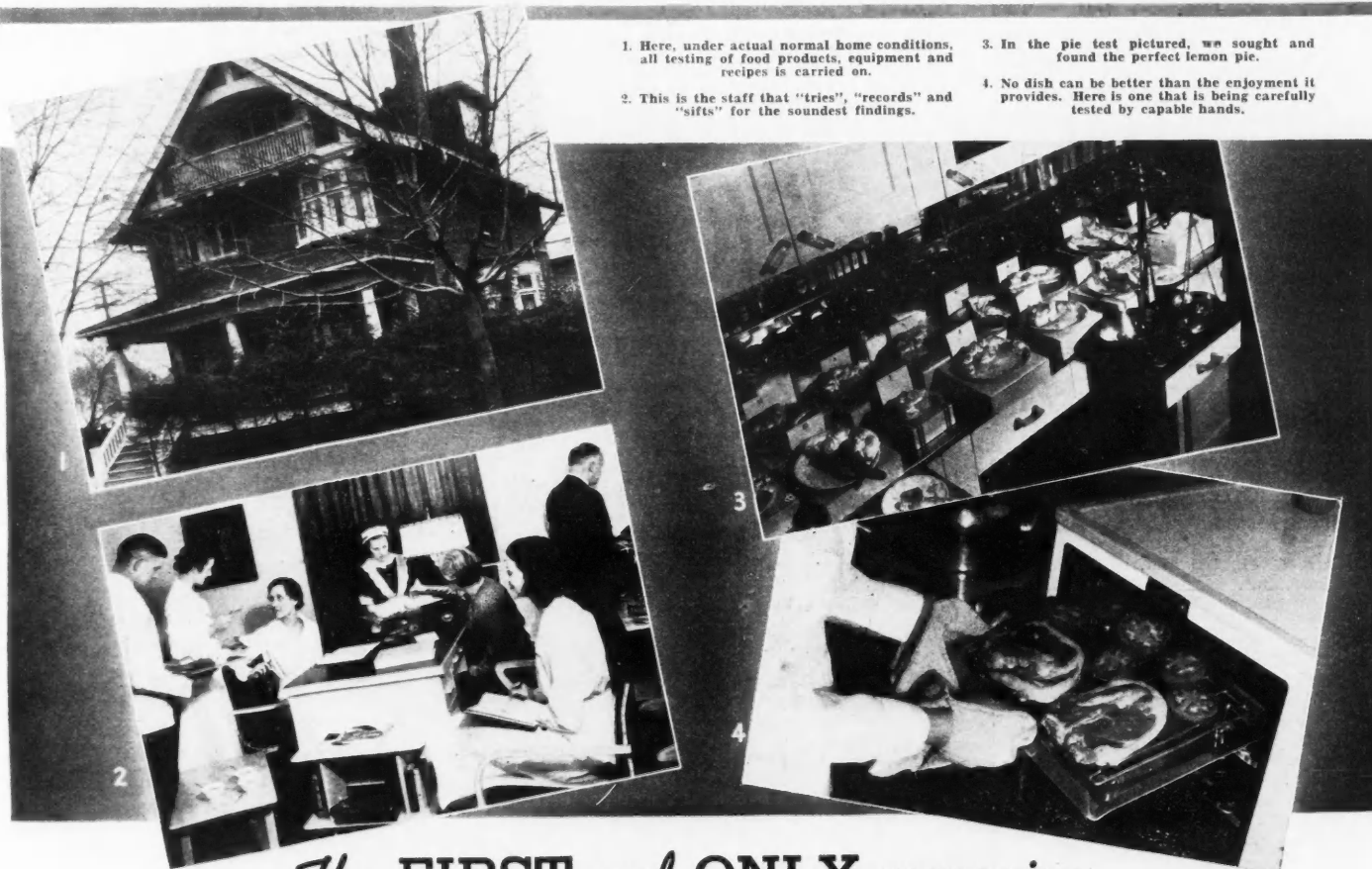
So, since the inception of the Company and the tapping of the wells, gas has been the main concern of Dr. Henderson. But the oil is there, a high-grade lubricating oil which from some wells runs up to 90 per cent gasoline requiring only one cracking in the refining. Gasoline is produced on a modest scale to meet a small local demand. Fuel oil, of an unusually pure quality, is sold to the C.N.R. at Moncton, the Canadian Gypsum, Marvin's Bakery, and other users who require a product that gives a uniform and perfect combustion. The men working at the field, many of them driving cars, use the oil straight from certain of the wells as a lubricant in their engines,—and they swear by it. Similarly they use the Company's gasoline, Mic-Mac.

Training Canadians

Thirty men, loyal and true, work in the oilfield during the summer. Many of them have been with the company almost since its inception, for Dr. Henderson has made a point of training Canadians from the surrounding district to replace the American experts that he was at first compelled to engage. These men are paid two rates. The driller, or his equivalent in other departments, is paid \$8 per day. Assistants are paid \$6 per day.

But now, with the Empire at war, Dr. Henderson has a greater vision for the role of his oil wells. The man who spent his war years scouring the world for fuel for the British Navy is looking at the deep-water river that flows through the oil forest. He sees tankers coming up the river. He sees them loading oil for the mother country. And in that vision he is content to wait, to forego the profits of commercial exploitation, in the hope of serving a need that is greater than mere dividends. For Dr. Henderson is a scientist, a Scot, and a patriot. He is no businessman.

That is our story of a man's conceit.



The FIRST and ONLY magazine
in Canada to establish a
Home Bureau in an actually "lived in" home!

FOREMOST among the many important innovations instituted by CANADIAN HOME JOURNAL is the Home Bureau under the able direction of Katherine Caldwell Bayley. Assisted by many experts, Mrs. Bayley has directed this most important department since 1928. Here every variety of food product, household product and household equipment, is tested.

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DESIGN FOR A HOLIDAY—IN AUTUMN. Here is the typical Fall scene on Atlantic City's famous boardwalk. Both the promenade itself and the sun decks of hotels are crowded with those for whom the coast resort has an unrivalled charm. —Photo by Central Studios, Atlantic City.

PORTS OF CALL

Autumn Sees a Re-Orientation of Travel

WITH many areas of the world safe for travelers, the war in Europe will re-direct rather than curtail travel movements in the opinion of Douglas Malcolm of the American Express Travel Service.

"Canadian and American travelers are most adjustable," says Mr. Malcolm. "Shut off one avenue of travel and they will soon find another. They have always traveled in great numbers, and undoubtedly they will continue to do so, in the many regions where journeys may be made comfortably and pleasantly."

"Exploring the Western Hemisphere, both North and South America, will probably be the next travel trend," Mr. Malcolm continues. "Already travel agencies are laying the foundation for winter tours to different parts of the United States and Canada. Domestic conducted tours and the independent tour plan should be very popular."

"The splendid services of American and neutral ships to South America will probably be blossoming forth with capacity sailing lists. All agencies are now better prepared than ever to facilitate journeys to that continent, whose travel potentialities and attractions have never received the attention they deserve."

"Central America is also a new and relatively undiscovered travel field. Cuba will be in the limelight, together with other islands in the West Indies. Hawaii should be a popular vacation place in the Pacific. Given a destination on the Western Hemisphere and a chance to get there on American or neutral ships, Canadians and Americans will not confine themselves this winter to the four walls of home."

"Mexico," Mr. Malcolm continues, "is continuing its travel popularity and Mexico City, with its equable climate, has long been a favorite winter resort of people in the know. De luxe and moderate priced tours are already planned for the coming travel season."

"Canada has assured citizens of the United States that they may enter that country as freely as they ever did and that they will not have to produce birth certificates or have passports."

"Northern resorts featuring skiing are due for a boom. Skiing has increased steadily in popularity and sportsmen anxious to try new terrains will probably turn now to the ski fields of Canada."

"Certainly there is no dearth of

travel possibilities and destinations and there is no need either to give up or postpone your winter vacation."

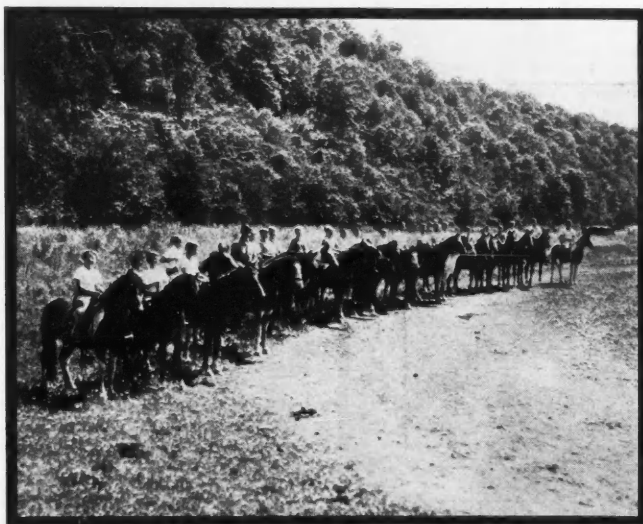
At Atlantic City

A host of visitors continues to frequent Atlantic City beaches and the temperature of the surf remains in the vicinity of 74 degrees making bathing most enjoyable.

Sixteen of the beaches are still being patrolled by thirty-one life guards and captains and the visitors are be-

Boardwalk or at other places around the city while most of the hotels also have them available for their guests.

As the number of bathers gradually decreases, the equestrians begin to prepare for the opening of their favorite horse path. The beach, an eight miles long stretch of wide level strand, will be thrown open for horse back riding on October 1 and remain available to the riders until June 1. The horses which have been stabled on the mainland during the summer months will soon be back here and may be



IN WEST VIRGINIA horseback riding is an ever pleasant pastime on the estate of the Greenbrier at White Sulphur Springs. Here a group of younger guests lines up before starting an all day ride through the hills. —Photo courtesy White Sulphur News Bureau.

ing urged to bathe in these areas where the guards can be near at hand should any emergency arise. Those who prefer sun bathing are also out in force on the beach or on the Boardwalk and hotel sun decks. Strollers continue to find the famous promenade an interesting place for their daily walks while others move along in rolling chairs.

The Boardwalk bicyclists, that ever increasing army of riders, are out every morning partaking of their favorite exercise. They are permitted on the 'walk before 9 a.m. and hundreds, some days thousands, turn out to take advantage of this privilege. Wheels may be obtained at a number of rental stands along the

hired at the stands scattered along the beach.

With the water remaining warm the fish are still here in large numbers providing sport for the anglers. Tuna, marlin and blues are being caught some fifteen miles off shore while nearer the coast and in the back bays weakies, kings, bass, porgies and croakers are being brought in. The facilities of the Atlantic City Tuna Club on North Massachusetts avenue, are available to the visiting fishermen.

In the South

White Sulphur's summer is over. The Autumn has brought a sharp tinge to the air and life at the resort has stirred into a faster pace. Soon the surrounding mountains will begin to turn into their golden and red and yellow hues and this Happy Valley will be a playground of riotous colors and life.

There are many events on the fall program. The fall polo series is exciting news for late September guests who will be offered a week-end series on Saturday, September 30th and Sunday, October 1st. After that comes the tennis classic, the Middle Atlantic Intercollegiate Invitation Doubles Tennis meeting between eight or ten of the leading eastern colleges. This will take place October 9th to 12th.

Of current interest and in keeping with today's headlines, is the exhibit of rare and original old prints in the Old White Art Gallery, showing Britain's might on the Seven Seas. Rarest of the collection is a highly illuminated print made in 1739 entitled "Victory over the Spanish Armada," Lempriere, the painter and the engraver T. Pine. Also in the exhibit, which was made up from the print collection of the Antique Shop, are original Vanity Fair cartoons from 1869 to 1914.



OUT ON THE COAST a secret society of Indians adopts its ceremonial masks for an important council meeting. Canada's Pacific playground, for climate and scenery, is not surpassed by anything in the world. —Photo courtesy Victoria & Island Publicity Bureau.

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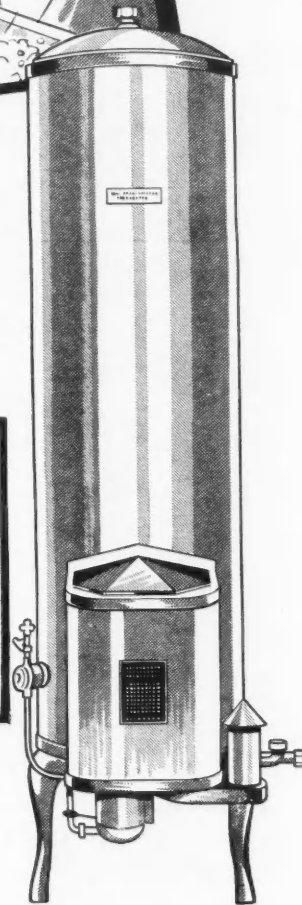
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And Carolina

Autumn days, noted for their brilliant sparkling atmosphere and great proportion of sunshine during daylight hours in the mountains of Western North Carolina, are a principal lure for the growing tide of early autumnal tourist travel now flowing into Asheville, N.C.

Characterized by brilliant sun, clear

skies and the spectacular display of leaf colors in the endless square miles of mountain forests, the autumnal period in the highlands of North Carolina is becoming one of the most popular seasons of the year in this noted resort section. Travel into Western North Carolina this fall, as indicated by the early volume, should surpass previous seasons.

Early colors of the dogwoods, black gums and sumacs in the forests have indicated the brilliance of the display to come when the major tracts of broadleaved forest present their annual pageant of color in late September and continuing to early November. The height of the display is reached at several distinct periods, ending with the peak display of the oak forests in November.

Against the background of the forest pageantry, Asheville and Western North Carolina will present the autumnal calendar of resort activities and other events of interest to visitors. The appearance in Asheville on September 28 of the U.S. Marine band will attract many fall visitors as this will be one of the few performances of the famous musical group in the south this year.

Offices have already been opened in Asheville in preparation for the annual dog show of the Asheville Kennel Club October 19 and 20. The show is one of the principal bench events held in the south and will bring exhibitors from all parts of the country to Asheville. The Cherokee Indian Fair at Cherokee, N.C. on the boundary of the Great Smoky Mountains

National Park is another event of great interest to autumnal visitors.

TRAVELERS

Mr. W. M. Hiller of Toronto, has returned from a trip to the North Cape, Scandinavia and Great Britain.

Mrs. M. H. Gault and her family have returned to Montreal from Metis Beach where they spent the summer.



DENNIS KING, star of "I Married An Angel", the brilliant musical comedy which comes to the Royal Alexandra Theatre, Toronto, for the week of October 2.



BOBBE ARNST, one of the brilliant cast of "I Married An Angel", the Broadway success which comes to the Royal Alexandra Theatre, Toronto, for the week beginning October 2.

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26 YEARS AGO

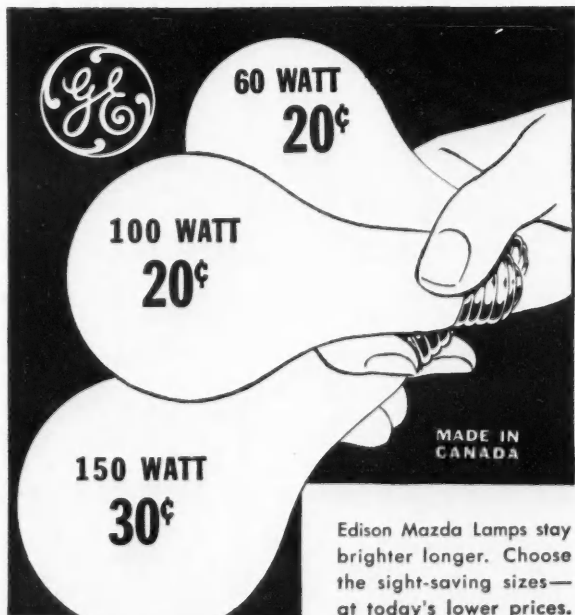
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can now be had in every home. Sani-Flush will remove all discoloration without scouring or touching the bowl with the hands. It positively will not hurt the plumbing connections.

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AMONG THOSE PRESENT

BY BERNICE COFFEY

THE President of the Women's Canadian Club of Toronto, Mrs. W. P. M. Kennedy, and the Executive, have arranged to have speakers from England, Australia, Eire, Austria, the United States and Canada address the club this year.

The first meeting will be held on September 22, when Miss Charlotte Whittton, C.B.E., LL.D., Executive Director of the Canadian Welfare Council, Ottawa, will give a comprehensive survey of what will be expected of Canadian women during the war and the measures to be followed for prevention of waste in energy, organization, personnel and materials. The title of her address, "Our Response," is chosen from the inscription of the War Memorial unveiled by His Majesty the King last May in Ottawa.

Hamilton Postpones Ball

Following an emergency meeting held by the Junior League of Hamilton, it was decided to postpone until a later date the Hamilton Junior League Ball scheduled for Friday, October 13. The Hamilton Junior League has already begun to rearrange its schedule so that its members will be ready for whatever war services they may be called upon to do. At the same time the League will continue its community service as it is felt there will be even more need of trained volunteers in many fields so that trained personnel may be free to go where their services are most valuable at this time.

Many of the Junior Leaguers have volunteered their services to the V.R.C.W. and have been busy helping at the various registration points throughout the city. The League has also offered its full co-operation and services to the Red Cross.

On Friday, September 15, the League held its annual golf tournament at the Hamilton Golf and Country Club. A luncheon followed the tournament at which over seventy were present. Following the luncheon Miss Muriel Bostwick, President of the Hamilton League, announced the policy of the League in relation to the war emergency. The prizes for golf were then presented. It was also announced that Miss Douglas McIlwraith and Miss Evelyn Hart, two of the League members had been playing off for the H.G.C.C. championship. The former was the winner.

Results of the Junior League Championship were as follows: Low Gross, Mrs. Fred Smye, Jr.; Low Net, Mrs. V. C. Hale; 2nd Low Net, Miss Marion Moodie; High Gross, Mrs. F. R. Murgatroyd; Best score on closed hole, Miss Douglas McIlwraith.

The list of the League's provisional members for this year includes: Mrs. John Baillie, Miss Sheila Bull, Miss Edith Doolittle, Miss Marjorie DuMoulin, Miss Ann Nicholson, Mrs. G. W. Paterson, Mrs. W. D. Robb, Mrs. John Scarlett, Mrs. Frank Stone, Miss Ann Wigle, Miss Cicely Zimmerman.

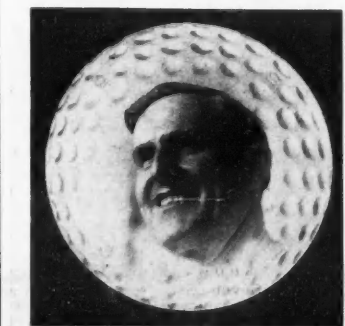
In Quebec

Mr. Jacques de Lacretelle, of the French Academy, was the guest of honor and speaker at the luncheon given on Thursday, September 14, at the Chateau Frontenac, Quebec, by the Canadian Club and the Women's Canadian Club. Mr. Edmond Chasse and Mrs. R. A. Benoit presided. Speaking on the present international situation Mr. de Lacretelle was introduced to his audience by Mr. Chasse and later thanked by Mr. Benoit.

Seated at the head table were Chief Justice and Mrs. Albert Sevigny, Hon. and Mrs. Onesime Gagnon, Mrs. Biledeau, Mrs. de Lacretelle, Judge and Mrs. Antonin Galipeault, Judge and Mrs. Wilfrid Laliberte, Judge P. A. Choquette, the acting French Consul and the Countess de Croy, Judge and Mrs. Lucien Cannon, Mr. and Mrs. Jean Bruchesi, Judge A. Prevost, Judge and Mrs. Romeo Langlais, Judge and Mrs. Hughes Fortier and Judge and Mrs. Thomas Tremblay.

Investiture

The Sixth Meeting of the Commandery-Chapter in Canada of the Order of St. John of Jerusalem was held at Government House, Ottawa, on Friday afternoon, September 15. After the meeting, His Excellency held an investiture and presented to the following the insignia to which



PORTRAIT in a golf ball. Ralph Whaley of Seattle's Broadmoor Club who was the winner of the Prince of Wales Trophy this year at Banff Springs. Whaley is the noted big game hunter who uses bow and arrow to secure his trophies.

—Photo courtesy C.P.R.



LADY EATON OF TORONTO, with her daughter, Miss Florence Mary Eaton, listens with amusement as Mr. David Spencer, son of Mr. and Mrs. T. A. Spencer of Vancouver, reads an item from the latest edition. The photograph was taken at the Empress Hotel, during the recent visit of Lady Eaton and Miss Eaton to Victoria, B.C.

they have become entitled:—Lieut. Colonel G. L. P. Grant-Suttie, Mr. G. H. Stevens, Mr. W. J. Bennett, Lieut. Colonel Arthur Gaboury, Mr. St. Clair C. Holland, Mr. E. W. Kneeland, Lieut. Colonel L. J. A. Amyot, Commander E. A. Brock, The Hon. W. A. Buchanan, Mr. J. S. Cameron, Dr. W. S. Fox, Dr. C. P. Gaboury, Lieut. Colonel R. A. de la B. Girouard, The Hon. A. C. Hardy, Capt. H. B. Kenner, Mr. J. H. Martin, Dr. W. W. McKay, Dr. C. J. A. McKillop, Mr. W. M. Neal, Mr. N. A. Teare, Lieut. Colonel A. C. Prince, Madame T. F. Casgrain, Mrs. E. A. Labatt, Mrs. E. E. B. Morgan, Mrs. E. M. Paterson.

Mr. C. H. Baxter, Mr. F. Collins, Mr. J. A. A. Cote, Mr. J. E. Cowley, Mr. J. C. Day, Mr. J. S. Durward, Mr. W. G. Price, Mr. W. Reynolds, Mr. C. M. Ross, Mr. Walter Sharp, Mr. John Stevens, Mr. W. S. Stirling,



THE FORMER MISS MARY VICTORIA SHIELDS, daughter of Mr. and Mrs. William Henry Shields of Toronto, who was married on Saturday, September 16, to Mr. Theodore Horace Dowsett, son of Mr. and Mrs. Horace Dowsett of Toronto.

Sergeant V. J. R. Thompson, Mr. A. H. Toseland, Miss R. M. Allan, Mr. A. G. Bell, Mrs. C. M. R. Campeau, Mrs. M. R. L. Edwards, Mrs. L. J. Goodfellow, Miss R. M. Grier, Miss E. F. Hudson, Mrs. G. K. Jameson, Miss A. Landriault, Lieut. Colonel R. E. Wodehouse, Mr. C. A. Gray, Mr. A. T. Lewis, Mr. C. G. Cowan, Mr. D. Kemp Edwards.

Manitoba Meds Dine

Following two days of sessions, the members of the Manitoba Medical Association, in session in Winnipeg, held a closing dinner and dance on Tuesday, September 12, at the Royal Alexandra Hotel. The event was attended by over one hundred and fifty members and their partners.

Guests at the head table included, His Honor the Lieutenant-Governor of Manitoba, Hon. and Mrs. John Bracken, Dr. W. E. Campbell, newly elected president of the M.M.A., and Mrs. Campbell; Dr. and Mrs. W. S. Peters, Dr. and Mrs. A. T. Mathers, Dr. and Mrs. Fred Jackson, Dr. and Mrs. H. D. Kitchen, Dr. and Mrs. C. E. Corrigan, Dr. and Mrs. C. B. Stewart, Dr. H. B. Cushing, Montreal; Dr. Roscoe R. Graham, Toronto; Dr. C. H. Vrooman, Vancouver; Dr. L. Routley, Toronto; Dr. W. G. Crosbie, Toronto, and Mr. Hugh H. Wolfenden, Toronto.

In honor of the wives of the members attending the meeting a tea was held at the home of Mrs. W. E. Campbell of Winnipeg. Bouquets of summer blossoms decorated the living-room where Mrs. Campbell was assisted in receiving by Mrs. W. S. Peters, of Brandon, Man., wife of the president of the association. The tea table, centred with sweet peas in a low

silver bowl, was lighted by pastel toned tapers, and presided over by Mrs. E. Ross, Ninette; Mrs. Spurgeon Campbell, Mrs. W. A. Gardner, Mrs. J. D. McQueen, Mrs. Oliver Waugh, Mrs. J. D. Adamson, Mrs. S. J. Elkin and Mrs. Frank McKinnon. Members of the ladies' committee assisted in the dining-room.

Guest of Honor

Her Excellency the Lady Tweedsmuir will be the guest of honor at the annual luncheon of the Montreal West Women's Club to be held on Monday, November 13. Her Excellency will speak on "How Some Books Come to be Written."

For The Seeing Eye

Miss Marion Ekers, Miss Phyllis Elder, Miss Viva Johnston, Miss Lillias Savage, Miss Elizabeth Gray and Miss Betty Beveridge will sell programs at the dog show being held by the Ladies' Kennel Club of Canada Inc. on Saturday, September 30, in the Forum, Montreal. Out of the proceeds of this show another Seeing Eye dog will be bought and given to a worthy blind Montrealer.

TRAVELERS

Miss A. L. Rawlings has returned to Montreal from Kennebunk Beach, Maine, where she spent the summer at the Atlantis Hotel.

Miss Grace Arnoldi, of Toronto has been the guest in Ottawa of Mrs. Hugh Rowe, and of Miss Jean Lindsay at Wakefield.

Mr. and Mrs. Athol McBean have returned to Winnipeg from the Pacific coast, where they have spent the last several weeks.

Mrs. Donald Hingston and her daughters, Miss Cynthia Hingston and Mrs. H. S. Dolan, have returned to Montreal from Metis Beach.

Mrs. W. de M. Marler, accompanied by her guest, Mrs. E. F. Garrow of Toronto, has returned to Montreal from her cottage at Metis Beach where she spent the summer.

Mrs. Mostyn Lewis and her son, Master Herbert Lewis, have returned to Montreal from Kennebunkport, Me., where they were the guests of Mrs. Lewis' mother, Mrs. Anson McKim, for a month.

Miss Patricia Curry, daughter of Major and Mrs. P. A. Curry, of Vancouver, is the guest of Miss Mary Arkell. Her parents have moved to Hotel Vancouver until completion of their new house in the British Properties.

Miss Medora Britton, of Toronto, returned recently on the Queen Mary from England and Norway.



W. J. ABELL, Brampton, Ontario, who was elected President of the Ontario Council of Pharmacy at the fall session of the Council held at Toronto.

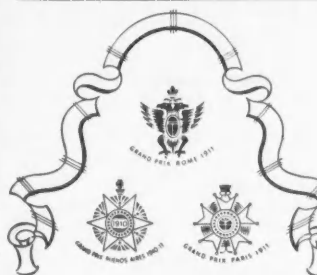
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CONCERNING FOOD

Who Is Lillion, What Is She?

A HORRID tryst with a dentist brought me back from the country for half a day last week to a shut house. How still and stiff your own possessions sit about behind the drawn blinds, how easy to believe they have carried on a private life in your absence. For a moment they are every one strangers toward whom you must make cautious overtures of friendship. All rather exciting somehow.

The usual drift of offers to clean your clothes for less, sell your fur coats for more, and exchange your radio for one presumably quite as infuriating strewed the verandah. But carefully inserted into the hall through the letter slot I found the following communication. It is written obviously under stress on a page torn from a pocket diary marked Appointments for November 1939. The pencil must have been held in a trembling hand. "Lillion," it reads, "will you call at the house I want to see you E. White Major."

I sometimes feel that the Staff's parents made one awful mistake that could only have been rectified by recourse to infanticide, but neither they nor I ever thought of calling our progeny "Lillion." Thinking the message over phrase by phrase I find gets me nowhere. What "house" must be called at, and who is "E. White Major"? Does he (or she) belong to that fine old family the Majors of Lillindully, or is this a left handed Call to Arms? I go back to the consideration of these questions when the war news shakes my marrow, and find it an admirable sedative. It has even blunted any worry about the subject of my foodish (that "d" is not a type setter's error) sermon for the week. I think perhaps we had better try to work out a couple of menus for dinners that will prove we've been doing something more constructive than worrying. Let them be nice, short, unhackneyed dinners... soup, a not-too-expensive main course, and a sweet.

Menu I

Cream of Green Bean Soup
Baked Pork Tenderloin
Creamed Turnips
Glazed Sweet Potatoes
Deep Thimbleberry-and-Apple Tart
Coffee

Cream of Green Bean Soup

Cut up finely a pound of green beans and cook them in as little water as possible until they are very soft. Drain them well, and keep the water in which they cooked, and rub the beans through a coarse sieve. Heat a quart of milk and add to it the water you saved, some celery stalks, a slice of onion and a bay leaf. When this has simmered for half an hour strain and add the bean purée, season, and re-heat.

Baked Pork Tenderloin

Cover the bottom of the roasting pan with strips of bacon; season the pork tenderloins well with salt and pepper and dredge them with flour into which has been mixed a pinch of sage. When the meat has browned slightly pour over it a cup of cooked tomatoes, and a cup of water and sprinkle on a small chopped onion. Bake in a slow oven for an hour and then put the meat to keep warm and add a cup of meat stock to the sauce remaining in the roasting pan. Thicken with browned flour if necessary, strain and serve with the meat.

Creamed Turnips

Cut up young turnips into small pieces and boil them for five minutes in salted water with a pinch of soda. Drain them and pour on fresh boiling water and cook again for five minutes. Drain them for the second time and put them in a frying pan and just cover them with thin cream or rich milk. Let them simmer until the cream is nearly all gone, and then season with salt and pepper and sprinkle with parsley.

Glazed Sweet Potatoes

Take large sweet potatoes or yams and cut them long ways in thick slices. Put the slices in a greased

BY CYNTHIA BROWN



MISS JEAN DOUGLAS MACLEOD, daughter of Mr. and Mrs. Donald Douglas Macleod, whose marriage to Mr. Peter White, Jr., son of Mr. and Mrs. Peter White, will take place on Wednesday, September 27, in Bishop Strachan Chapel, Toronto.

—Photograph by Ashley & Crippen.

shallow baking dish and bake, turning them until they are brown on both sides. Then sprinkle with brown sugar and dot with butter. Do this again first to one side and then to the other.

Thimbleberry & Apple Tart

Thimbleberries and chopped apples mixed together have a very good taste, but be sure to put in enough sugar. Make your favorite pie crust your own way, but just before you put it in the oven brush the crust all over with yolk of egg, and your pie will have a beautiful shiny brown glaze when you take it out.

Menu II

Clear Tomato Soup
Veal à la King
Amber Onions
Mashed Broccoli
Chilled Orange Pudding
Coffee

Clear Tomato Soup

1 large can of tomatoes
1 tin of canned consommé
1 tablespoon of sugar
Salt, 6 whole peppers, 4 cloves
1 tablespoon of butter
1 small onion chopped
1 tablespoon of parsley
Melt the butter in a small saucepan, and add the onion and parsley, and cook very slowly for five minutes. Put the tomatoes, sugar, pepper, salt, cloves and consommé on to boil, then stir in the onion and parsley. Simmer for ten to fifteen minutes and serve.

Veal à la King

Take a piece of veal about two pounds in weight, season it well with salt and pepper and sprinkle with flour. Sauté in butter in a frying pan until the meat is nicely browned, then add a little water, cover and cook very slowly until it is tender. Cut the veal in small pieces, and keep the liquid in which it cooked. Make a white sauce with three tablespoonfuls of butter and two of flour, one and a half cupsfuls of milk and the liquid the meat cooked in. Season well and then add half a cup of chopped mushrooms some strips of pimento and the meat. Put in a double boiler and let it simmer for half an hour.

Amber Onions

Peel six large white-skinned onions and cut them in halves. Put the pieces in a buttered baking dish. Melt two tablespoonfuls of butter, three tablespoonfuls of honey, two tablespoonfuls of lemon juice, salt, pepper and paprika, and pour over the onions. Bake in a covered dish in a moderate oven for an hour and serve on hot buttered toast.

Mashed Broccoli

Steam a large bunch of broccoli in

salt water until it is tender, drain it and put it through the meat mincer. Make a sauce with three tablespoonfuls of flour and the same amount of butter and one and a half cups of milk. When the sauce has thickened stir in the broccoli and add a little onion juice, salt and pepper, and put in the double boiler. While it is cooking there whip it until it has the consistency of light mashed potatoes.

Chilled Orange Pudding

Take two cups of strained orange juice and add the strained juice of two lemons, the grated rind of one orange and a cup of sugar. Bring this to the boil and then remove from the heat and stir in two tablespoonfuls of gelatin already softened in half a cup of water. Stand this mixture over a pan of ice and beat it with a Dover beater. When it begins to thicken fold in half a pint of whipped cream, to which has been added a pinch of salt. Butter a mould, and put in small skinned sections of orange that have been well sugared, pour in the mixture and leave to harden in the refrigerator.

Coffee I trust you know how to make strong and serve hot. Otherwise, I suggest you ask Lillion, if you can track her. I'm off to bed.

THE RADIO DIARY

BY CLARISSA DUFF

MONDAY: As everybody knows there have been many prophecies in regard to the part which radio would play in the event of another European war. According to one school of thought propaganda by means of radio would be a potent weapon in the hands of belligerents. The proponents of this theory were convinced that the morale of the civilian population and even that of the armed forces in every warring country would be shattered by a bombardment of words. No satisfactory explanation was offered of how this radio propaganda was to reach the people for whom it was intended, or why, if it did reach them, they would unhesitatingly believe it.

Nobody but a confirmed German optimist could have envisioned the British people as being thrown into a panic by hearing a Berlin announcer with a synthetic B.B.C. accent warning them of their impending doom if their government dared to oppose the will of Herr Hitler. For years past the French have been suspicious of every word, good or bad, which reached them from German sources. As for Poland, the dauntless people of that heroic country have long since made it perfectly clear that no amount of German terrorism on the air or elsewhere would alter their grim determination to defend their liberty to the end. The smaller European states were no doubt perturbed by all this sound and fury—not being any too sure that it signified nothing—but it only strengthened their intention of keeping out of any conflict between the great powers.

Now that we are actually at war it is somewhat ironic that Germany, who originated the idea, is the only belligerent who fears the effect of broadcasts from foreign countries upon the morale of its people.

TUESDAY: Ever since the early days of broadcasting American and Canadian radio have grown in beauty side by side. To be sure a great many Canadians feel that American radio is by far the more beautiful of the two, but that is beside the point. The fact is that we in Canada seldom think of programs from the United States as originating in a foreign land.

It is only now, when our friendly neighbors to the south of us are at peace and we are at war, that we realize the existence of an international boundary line in broadcasting. Under present conditions it seems to me that it is a wise idea to get our newscasts and commentary from Canadian rather than American stations. The radio censorship in Canada does not prevent our hearing authentic news, and it keeps rumor and hearsay off the Canadian air.

There is no reason why we should not listen to the opinions of American commentators if we want to, but we should not be indignant when their point of view does not coincide with ours. In this connection an experience of my own comes to mind. Some days before the invasion of Poland took place I heard an American commentator conjure up from the deep recesses of his abysmal brain the statement that Herr Hitler was not conscious of ever having broken a promise. This commentator is still

busily engaged in interpreting the European situation to the American public. As apologist for Herr Hitler he must, one would think, find it increasingly heavy going.

THURSDAY: All real radio fans have their own approved method of managing a radio set under normal conditions. Like myself, they have probably evolved before this a plan for meeting the present emergency. There is no reason why one should not look to the radio for a certain amount of entertainment even in time of war.

Officials of the C.B.C. and those of independent Canadian stations are doing their utmost to maintain their usual program schedules. Needless to say there will be no new features produced just now over C.B.C. networks—the present programs will remain on the air for the time being. "Melodic Strings" will keep its summer spot—Sunday at 7:00 p.m.; there is no word of change with respect to the broadcasts of the "Prom" concerts. "Serenade for Strings" is on the air from Montreal at 8:30 p.m. on Thursdays and "Acadian Serenade" comes from Halifax at the same time on Friday. In lighter vein are "Music from Manuscript," an interesting and unusual program from Toronto at 10 p.m. on Sundays, and Percy Faith's Music, also from Toronto on Wednesday evenings at 9:30.

The "Happy Gang" is one program which I hope will be kept on the air indefinitely, even if its personnel is altered by the vicissitudes of war. The Gang broadcasts five days a week from Toronto at 1:00 p.m. In their own way the Gang are doing for the Canadian listening public what the Dumbells and similar organizations did for the soldiers during the last war. I have a presentiment that I shall toe off more than one sock while listening to the "Happy Gang."



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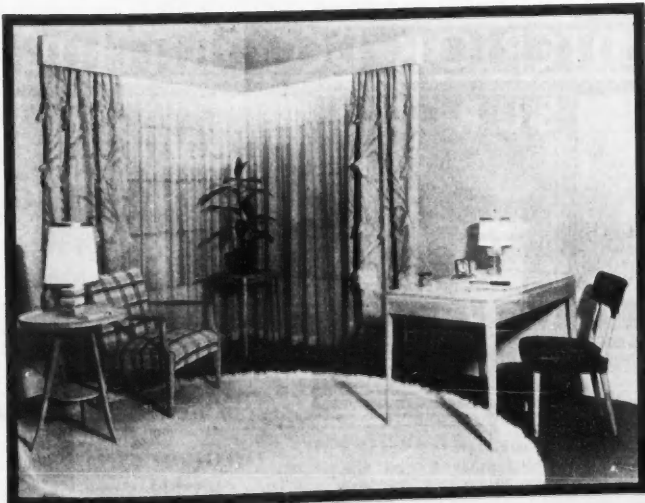
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A CORNER of a modern library inspired by the practicability of modern Swedish design and decorated for the C.N.E. exhibit of the Robert Simpson Company, Ltd., by H. L. Deacon. Two colors predominate—bright lime and yellow, used against a soft grey. The floor is covered with green linoleum and an off-white rug.

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WORLD of WOMEN

Fashion Shows of the Week

BY BERNICE COFFEY

Fashion cannot be ignored—even in wartime. If the time ever arrives when it ceases to exist in women's consciousness, depend on it we shall be living in caves and stalking our fillet mignons on the hoof with a club. For style is an integral part of any well-ordered society whether it's in the drape of a Grecian tunic or the crazy tilt of a Schiaparelli hat, the turn of a Louis Quinze chair leg or the streamlining of an electrical refrigerator.

The French are designing becoming zippered costumes into which to whisk at the first sound of the air-raid siren, and English women are devising attractive disguises for the gas masks they must carry everywhere. Think it over, and don't be apologetic about an interest in clothes at this time. The patriotic heart beats as bravely under the little number "after Molyneux" as it does under sackcloth.

So out with the spy-glass for a close-up of Style, Autumn, 1939 A.D., as seen at the various fashion shows around town:

For weeks we've been aching to see the Georgian Room in all its new glory at the T. Eaton Company's downtown store, but this eagerness has been shared by several hundred other who always seemed to get there first. But by the grace of a ticket of admittance to the fashion show we finally made it. The Georgian Room, as we can now tell you from personal observation, has a new serene elegance that will knock you all of a heap.

The sportswear here is a special delight—colorful with plaids, checks, stripes and multi-color tweeds in all of which colors are mixed with suave daring. A rust angora and wool sweater accompanies a full pleated green wool skirt, or a red plaid jacket with peplum back is mated with a flared green skirt.

It's a Fur Season

An Alix copy in Talmi brown wool had an entire front panel of moleskin extending from a crimped collar across the front of the neck, down to the hem. Brown fur on black is so lovely you wonder why it has been in eclipse for so long a time. But here it is—and with a new enchantment of its own, as in the Mainbocher copy in black wool with a scarf collar of Jap mink falling to one side in a rippled jabot and a front drape of the fur.

Daytime dresses put fashion news below the belt. Bodices are rounded and moulded over hips and bust, and necklines are high. But it's the skirts that focus attention. Pulled back or pushed forward into fullness, gathered all around at a low line on the hips, slim with drapery at hips, or in tunics and aprons, they are a composite of all the tints you ever saw. Two fabrics are another trademark of the new season. The perfect exponent of many of these trends was to be seen in a daytime dress with a brown velvet bodice as closely fitted as the paper on the wall to a low line on the hips. The brown crepe skirt was closely pleated and the hips swathed with drapery. A faithful copy of your great-grandmother's dress except for the length of the skirt.

Hats are a pleasing melange of many influences—Spanish, Victorian, Oriental. Molyneux' little sailor of wine taupe felt is worn smack forward over the eyes. It, too, has a "bustle" at the back and, for contrast, a turquoise ribbon wanders around the crown to the front where it is tied in a bow. A Marie Alphonse of brown fur felt has a high, high crown and sausage roll brim, and is swathed with fir tree green velvet which juts up at the side in a dashing up-tilted exclamation point.

Fabrics of Yesteryear

All the rich fabrics of long ago are back for evening—satins, velvets, brocades—and the mannered beauty of the season really comes to its full flower in the evening. Lovely indeed was Norman Hartnell's "First Affair"—of grey-green net over slipper satin of the same color. The swaying crinoline skirt was trimmed with swirls of closely gathered net which look like captured smoke, as was the short satin jacket where the net spreads out over the shoulders. Two pale pink roses—one among the net on the crinoline, another at the bodice—were the only touches of a second color.

If we had a Davis Cup to hand out, it would go to the taupe jersey dinner gown which was met with breathless silence followed by an excited buzz of talk as the model made her way along the runway. The bodice, of course, was sleekly fitted to a low line on the hips. Sleeves were long and fitted to the arm, and the high neck was banded with tubular gold metal edging which continued on down the back to the waist. There was flat pleated fullness around the hips which continued down the back in the superb line of a pleated panel to the floor length hem.

The evening coat in Goya pink faille silk—a Balenciaga original—is rather special. The slightly trained skirt falls into back fullness from wide unpressed pleats which give full beauty to the magnificent stiff fabric.

As make-up models wore Helena Rubinstein's "Sporting Pink" with greens, browns and red; "Red Rasp-

berry" with black and dark shades; "Orchid Red" for evening and wine shades.

The Eaton show concluded triumphantly with the appearance of the bride and her attendants, all of whom wore blush pink. The centre of it all wore taffeta-ized satin, the swathing of the bodice forming a large flat bow at the back from which the long point ends fell to the hem of the skirt. Attendants' dresses were identical with that of the bride, and we viewed with approval their simple snoods of twisted satin—it solved so neatly the problem of finding a head gear becoming to four or more assorted types of features.

At Simpson's—

With the nineteenth century influence rampant on the style scene, it was witty of the Robert Simpson Company to call their show "Family Album" and to produce right out of that album a series of living tableaux as a background to show the close tie-up between the clothes of today and those of the eighties. The revue was produced and directed by Mildred Wedekind who also acted as commentator, through the courtesy of Elizabeth Arden of New York.

In deference to September, a month that is a neck-and-neck favorite with June for marriages, the show opened with a bride who wore gardenia white satin with a snug bodice fastened down the front with flat silver buttons. The sleeves—just below-elbow-length—were edged with ruffles of white net, and from her waist fell a billowing bustle train of foamy ruffled net, each tier edged with satin, over the full skirt which had concealed pannier effect over the hips.

Colors featured in the collection of coats included London fog, Ruddite, bronze green, Robinhood green, burnt sugar, green tea, black coffee, "Knock-out" blue, port brown, "Stop Red," and classic black. Furs used as trimming were sheared beaver, brown lamb, mouton, white-fox-dyed-lynx, silver fox, black Persian lamb, mink, caracul. A Del Monte original was the single unfurred exception—in Ruddite wool with rows of horizontal tucking across the chest—the perfect background for the separate sable scarf.

The contrast between the campus scene of 1870—high-wheeled bicycles, college men dressed for the cricket field, and a girl dressed in the period—with college clothes of today, was a forcible one. This year the college girl is charmed with colorful plaids and much color contrast. For study she wears comfortable corduroy velvet slacks in French Cognac and a turquoise blue knitted sweater. On the campus she chooses a grey flannel swing skirt with a Jester jacket with a back of knitted grey wool and a front of violet and red suede, and knee length socks.

Velvet, thin wool, crepe, metal fabric, faille and velveteen, were fabric choices for formal afternoon wear. One of the most enchanting was a black wool crepe with a Nineteenth Century shoulder cape, and worn with a Dache hat trimmed with chenille balls. A black faille frock with a jacket resembling the lines of an officer's mess jacket, was trimmed with velvet and for contrast accompanied by a Robinhood red felt hat having a high crown and flaring brim.

White Fox and Brilliants

André of the St. Regis Room has turned out some of the most masterly designed furs it has been the privilege of these old eyes to see. He has even managed to handle fox with a finesse that eliminates the usual bulkiness of this fur. For instance, that not quite knee-length evening coat of white fox. The furs are mounted vertically on a foundation with sufficient space between each to avoid clumsiness, and it is sleeveless. The waist is cinched in with a very wide belt that is a solid mass of brilliants.

The show's finale was reached with a New Year's party scene in which all the children and adult models got together in a spirited welcome to 1940. The children blew horns, and the adults tossed serpentine out into the audience. There was the little girl in a French import of white hand-smoked and hand-embroidered crepe de chine, and her little brother in a velvet suit of burnt sugar velvet. There was the older child in her first long party dress—pink taffeta trimmed with shirred velvet crossed suspender fashion over her shoulders, and a hooped skirt—and her little friend in blue taffeta with a pink taffeta sash tied in a bustle bow, and the endearing sub-deb in a pink net frock over pink taffeta trimmed with a blue velvet ribbon sash from which dangled a chubby pink money bag.

Among the grown-up evening things one of the stand-outs was the use of wool. There were not many bustles. A period frock in Lanvin green shot taffeta, its bodice closely shirred all-over, had a wide hoop skirt. Blush pink net fashioned into a bouffant frock, its bodice made of closely-sewn opalescent pearls, looked as delicate and fragile as a soap bubble. Turquoise gloves and a necklace of pink and blue beads entwined, accompanied it as accessories.



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Then, as a final note of evening splendor, last ensemble to go the length of the runway was an exquisite dress of gold tissue lamé, fitting tightly to the hips where the skirt was gathered to fall in lovely limp folds. Companioning it was a grey suede jacket embroidered with gold thread.

Announcements

MARRIAGES

The marriage of Miss Babette Blomfield, daughter of Mr. and Mrs. Reginald Blomfield, to Mr. John Marcus Riky Berwick, son of Mrs. Berwick and the late Walter M. Berwick, will be solemnized at Christ Church on Saturday, September 23rd, at 1:30 P.M.

WORLD OF WOMEN

The Proper Framing For Your Eyes

BY ISABEL MORGAN

UNDER the winged line of your brow, let's consider your eyelids. If they are young and unlined and delicately colored, make them look like waxen petals by touching them with oil. But if they're just eyelids, use an eye shadow, day and night. It gives you more than color. Eye shadow can give you the languorous lids of an Oriental beauty. It can make small eyes important, deepen the eye socket, give a new life and vivacity to the whole face.

You must know how to use it and how to choose your color, to achieve such results. If your eyes are gray or blue, use a cool color. Sometimes a combination of two shades is effective. And whatever you do, never put shadow too near the bridge of your nose, nor allow the faintest smudge of it to show beneath your eyes. Make it deepest in tone at the very rim of the lid, and shade it up toward the brow and out toward the temples. Of course, you know that you must not carry it out too far if your eyes are very widely spaced. And, conversely, you must carry it to all possible lengths toward the temple if the eyes are set too narrowly.

Framing the eye itself, your lashes are terribly important. Darken them with mascara. Even if they are blessedly thick and black, the tips will usually be lighter. Turn them up with the brush as you darken them, and hold them there a moment. They will soon follow that upswing and learn to curve in a ravishing arc of their own. Something to remember about using mascara is always to have the brush well rinsed from the last application. If it isn't, your lashes will look harsh and beaded.

Specs Are Chic

Be kind to your eyes—especially if you're off to college this fall. It is quite likely that you will use them more frequently and more consistently during these four years than ever again. Remember that "specs are chic." All those who need glasses—and some who don't—wear them these days. Go to a good oculist before you leave home, and if he gives you a prescription get it filled in some of the large, smart frames which blend with your skin—miles away from the old horn-rimmed horrors.

Tub or Shower?

You probably have your own preferences about your bath—tub or shower—and it doesn't matter a bit which. But the water should never be too hot in any case and unless you intend to whip right off to bed, you should always douse yourself afterward with cooler water to close the pores and stimulate the circulation. Diane de Poitiers, who was famous for her milk-white flawless skin even as an old woman, attributed its beauty to the daily cold bath she never missed. It's an excellent idea, too, to give your body a general rub-down with loofah mitts. This makes you tingle all over, and rubbing briskly over the hips and waist will help keep these dimensions down.

Pick-Up

You have learned to use drops and eye baths regularly. But aren't there times when nothing really seems to pick them up? Times when you have been up much too late sitting in smoky rooms. When you have come in from a long day of motoring. When you have been dashing madly from place to place or working furiously under nervous tension. When you have been doing all those things that react inevitably on the tiny nerves and tissues around your eyes.

For such difficult moments, Eye-lifts are just the cocktail the eyes need. They are large, soft felt masques saturated with a cooling solution, camphorized to act as a



MISS JEAN MELVILLE TUDHOPE, daughter of His Honor Judge Tudhope of Brockville, Ont., whose marriage will take place in November at Georgetown, British Guiana, to Mr. Paul Fenton of Montimore, son of Mrs. Wakefield Fenton of St. John, New Brunswick.

—Photograph by Violet Keene.

that collect around the orbs.

Five extra minutes is all you need. You simply tilt your head back in a chair, or lie prone, covering your eyes with an Eye-lift pad. First you get a delicious sensation of relaxation, then gradually a definite feeling of clearing and freshening that one look in the mirror, a few seconds after you take the pads off, will convince you is not an illusion. It's easy to get the Eye-lift habit—to use them the first thing in the morning, every evening while dressing for dinner, and finally as an inducement to sleep just before retiring.

Collected

How is it that your eye paraphernalia is invariably hopelessly scattered between bathroom and dressing-table? Or all hither and yon in your weekend case? Or well mixed with tobacco in the bottom of your purse? To circumnavigate these enormities, Kurlash has brought out a compact, brightly-colored little silk case to keep your eye-department all together. The oblong bit of moire holds a lash curler, tweezers, mascara, eyebrow pencil, and a good lash grower. Or for a more casual ritual, Kurlash has produced a minimum package—a little box containing the Kurlash iron that is a must in practically every eye beautification, and a tube of the eyelash grower.



COTTAGE WITH GIRL. A characteristic Ontario landscape by the well-known artist Georges Chavignaud, who does most of his work in and around the charming and secluded village of Meadowvale, Ont. The paintings of this artist are very widely distributed in the collections of picture-lovers all over Canada and the United States, and present Canada in its most gracious aspect.



Smart

Beeswing hats, for active or look-on sports wear and for travelling. Made of the lightest of lightweight fur felt, styled to American fashion trends. Setting the pace with the new vintage shades for Fall. Priced amazingly low because of favourable Canada-British tariff.

A Beeswing Hat

TAILORED HATS BY THE HOUSE OF CARRINGTON. OLDEST MAKERS IN ENGLAND

Canadian Representatives: G. L. WYLIE, 1265 STANLEY STREET, MONTREAL. J. W. BARRON, 904 YORKSHIRE BUILDING, VANCOUVER



MISS HELEN LOVE JOLLY, daughter of Mr. and Mrs. Arthur E. Jolly of Toronto, whose engagement to Mr. Scott Howard Wilson Fyfe, son of Mr. and Mrs. George T. Fyfe, was recently announced. The marriage will take place on Saturday, October 7, in St. Clement's Church, North Toronto.

—Photograph by Violet Keene.

THE BACK PAGE

Home of the Free

BY VICTOR GOTRO

IF YOU NEED WORK SEND IN YOUR NAME! An inventor needs 500 men and women at once. Introduce his revolutionary self-feeding chemical sponge that cleans cars new way. Banishes auto-washing drudgery. Car owners wild about it. Any one who gets the agency for this is headed for a big, steady income. Samples sent free. No obligation. Get details. A penny postal will do.

I am quoting verbatim from an advertisement which leaped out at me from the page of an American weekly publication. Now, what excuse has a man in this broad free country for being unemployed? Here is an inventor begging, pleading, crying for 500 men to work for him and incidentally build themselves big, steady incomes. Samples sent on trial. A penny postal will do . . . get details and no obligation. But hey! Look at this:

NEW SENSATION SWEEPING THE COUNTRY. No investment or experience required. NO STOCK TO CARRY. No deliveries to make! WE SUPPLY EVERYTHING! Millions waiting to buy! Sells everywhere, shops, factories, offices, homes, workers, etc., etc. Each sale leads to 500 more. Write quick—a postcard will do.

Now THERE'S an advertisement for you. Think of it! No stock to carry. No deliveries to make. Can't you picture America's anxious, worried, vast wealthy millions waiting eagerly to buy? I can. But maybe I'm just one of those ignoramus who believe that America's millions are in the habit of buying. Suppose I'm wrong? Here's a man so anxious to have his discovery, whatever it is, placed before the waiting millions of America that he supplies EVERYTHING FREE! You can't ask for a squarer deal than that. Every sale leads to 500 more! Even a Communist can't complain.

Of course some people cannot be enticed to work for a living unless they are offered a bang-on-the-barrel-head certified wage agreement. Well, here's one on the next page that steps right out and does so and no monkey business!

UP TO \$32.00 WEEKLY SUPPLYING SILK HOSE REPLACEMENT. Wear hose we furnish. No cost. Everybody wears hose. Guaranteed to wear from 4 to 8 months without holes, snags or runs, or replaced free. New cars given away as bonuses. Send your size for free extra hose for your own personal outfit. Send no money. Rush name. . . .

DO YOU get the significance of that? "Hose we furnish." I can see me giving out any more dimes for cupsacoffee after reading that one. Hose that is guaranteed to wear without wearing out, or new ones handed out free. And free hose for yourself, just send size, no money. "Everybody wears hose." It's stupendous! Why hasn't some one thought of that before? It's such an obvious fact; everybody in America DOES wear hose! And here's a fellow GIVING them away, and free automobiles as bonuses! It doesn't state clearly whether you get the bonuses of free

cars with the free hose. Maybe you have to do a little work for the free car or something. But what about it? Isn't free hose enough for you? What's the matter? Doesn't anybody in this country want to take advantage of this philanthropy? Publications are full of such generous offers. Read this:

WILL YOU WEAR THIS SUIT? Be my local agent and earn up to \$12.00 a day! How would you like to wear this fine, union-made suit, made-to-measure, all wool, at my expense? Pay no money. Just promise to show it to your friends, and follow my simple easy plan. Earn up to \$12.00 in a day without canvassing! Make the biggest money of your life! No experience necessary. Write now! Send no money! Get your suits and overcoats free!

And only last week I gave the Salvation Army an old suit I could have worn another six months myself. There was the transient too who moved me so to pity I let him have my last summer's pants. And here is a generous, warm-hearted distributor with his photo inset in an advertisement, pictured with a pleading look on his open countenance and a hand half outstretched in friendly fashion; and in black, ten-point Cheltenham he plaintively asks, "Will you wear this suit? How would you like to wear this fine, union-made, made-to-measure, all-wool, double-breasted, three-piece, brand new suit?" The anguish of it! For half an hour after reading this soul-shattering advertisement I sat blank-eyed and groggy, mumbling over and over, "Will you wear this suit? Will you wear this suit? Will you wear. . ."

OH, WELL, I got over it. That was soon as I gathered the strength to turn the page and saw the advertisement which had this lad who cries to YOU and YOU to take away all these free suits looking like a plain every day piker. The more I think of it the madder I get. Why, the cheap chiseller! I had almost put my penny postal in the box (no money) to get my free suit, when I looked on the next page and there was an advertisement which said: "FIVE HUNDRED DOLLAR BONUS. GIVE AWAY SAMPLES! Let us explain! Send your name and address. A proven plan. Earn big money in your spare time! Write now! A penny postal will do."

I immediately broke into a cold sweat when I thought how close I had come to being gyped by this suit fellow. Get the picture! "Five hundred dollars just to give away samples!" And all the advertiser wanted was a break, a chance to explain at least! I erased the address of this cheap clothier and wrote in the name of this bonus man. For \$500 I will give away the local Town Hall and all this lad wants done is for me to give away samples!

Having got my second wind after having been more or less stunned by the cool blunt offer of \$500, I was able to better appreciate the lighter, friendlier, dignified tone of the advertisement on page seven. I was



"I Like to Listen to the Comments on the Game!"

in the proper, relaxed mood necessary to appreciate the mellow tone of this: BE A SUCCESSFUL BEAUTICIAN! Looking for something interesting and profitable to do? Why not turn to beauty culture? There may be an important future for you as a beauty shop operator, manager, or cosmetic salesman in this great, growing industry. Particularly if you hold one of our certificates! Our free book will tell you how you can enter this refined, fascinating business without previous experience. Just drop us a line. A penny postal will do.

I LIKED that. Not too many exclamation marks to over-stimulate the nervous system. Leisurely, thoughtful. "Looking for something

interesting and profitable to do?" Hmm. Picture the possible important future too. And then that word "Manager." Rolls nicely on the tongue. And this was no excitable handout of free cash and clothing. Just meaty, lightly-seasoned food for thought. "There may be an important future." . . . I began to feel ashamed of my previous hoggishness, hastily addressing penny postals to the biggest offers. Is that the way to build America? Was that the way our forefathers won their independence? I felt the free blood surging strongly in my veins. "This great, growing industry". . . .

With a firm determined hand I sat down and addressed a new penny postal for the free book.

A Young Man of Resource

BY KENNETH MILLAR

"GOOD afternoon," said the young man who had just made stage-thunder with the screen door, "it's a very hot day, isn't it? I have just the thing to conquer that all-in feeling—Quimies, the little anti-heat capsules, only 25 cents for a box of twelve. You need never suffer from the heat again!"

"I never suffer from the heat," said the firm-lipped spinster who had opened the door and instantly regretted it. "I was born and raised in Nigeria."

"Well, well," said the young man, not at all taken aback, "Nigeria, eh? I suppose you slip back there every now and again to visit the old folks—merely a figurative way of speaking, you understand." He corrected himself hastily but with urbanity. "I mean the folks, Miss, who are so fortunate as to be your parents. Now there's nothing so efficacious in protecting the head from the terrific Nigerian sun as this collapsible canvas sun-helmet I have here, Crani-Cumfy, marked down from \$2.00 to \$1.00 for the hot weather. Very useful you'll find it, Miss, should you ever visit the folks, back in dear old Nigeria."

"My parents," said the lady stiffly, "went down with the Titanic."

The young man quickly shifted his tactics. "Indeed, Miss, I'm so sorry to hear it. It must have been a fearful blow, at your early age. But it gives you a special reason for hating the water."

FOILED

I WILL not say "I love you."

Love has a shabby sound.

A battered little beggar!

A word that's been around.

A word that knows the answers;

That wears a furtive look,

And slinks across the pages

Of every shoddy book.

A tattered word! A trite word!

A vagrant little thing!

Promiscuous and common.

A word that's had its fling!

A sedative! A sophist!

A word to hate and fear!

I will not say "I love you."

But still . . . "I love you, dear."

EDNA MCATEER.

doesn't it, Miss?" The young man who had seemed on the point of tears, suddenly brightened. "I have a brilliant little device here for people like yourself who hate water—Dr. Lyndhurst's Non-Aqueous Face-washer, the Oily Pad that makes you Glad. Would you care for a dozen, madam, at the giveaway price of 39 cents. No, I'll make it 35, in memory of your parents."

"Young man," said the self-possessed spinster, "I am a hydro-therapist. I resent your attitude to water, the blessed health-and-happiness-giver, and I want nothing that you have to sell."

She tried to close the screen door, but the young man held on with a subtle mixture of pathos and firm-

ness. He saw that the time had come to pull his Ace out of his sleeve.

"Yes, you do, Miss. You want one of these new Sani-Swat fly-swatters I have here, a marvellous bargain at 21 cents or 2 for 40 cents. You quite definitely want a Sani-Swat."

"I quite definitely do not, young man. Every door and window in this house is screened, and I never have a fly in the house."

The young man's eyes glittered with triumph.

"You have seventeen flies in the house Miss. I counted them as they passed me. I just know you want a Sani-Swat!"



Blanche et Simone's petite black tilted left—topped with fox and ribbon, 35.00

We're Backing The Fall Hats At EATON'S

- They're winners in the fashion field
- They're full of back interest—bows, snoods, feathers!
- They bring heady flattery to miss or matron!

More fun to choose from EATON'S collection! Every hat is so new, so pretty, so unusual! Tiny Pie Plates tilted down over the forehead trailing ribbons and feathers . . . High Supple Crowns beautifully manipulated! Every type of Beret—Toques—Turbans! Choose from French originals, from New York adaptations, from Deb Room models.

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for the BRIDE



EXQUISITE CRYSTALWARE

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The Fall bride who is lucky enough to receive crystalware, will be doubly thrilled if CLAPPERTON'S full lead Crystalware is thoughtfully chosen. She will cherish its inspiring loveliness, entrancing beauty of contour and the exclusive hand cut designs. CLAPPERTON'S Crystalware is given preference by the most discriminating as the ideal wedding gift.

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FOR YOUR HOME
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BETTER SIGHT LAMPS

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The I.E.S. Lamps are built to specifications established by the Illuminating Engineering Society. These standards provide for a lamp that supplies a specified quantity of glare-free light. On display in the Hydro Shop are I.E.S. table lamps and I.E.S. floor lamps that not only meet the lighting

standards of the I.E.S., but are beautifully designed to enhance the appearance of any room. Visit the Hydro Shop to see the display of I.E.S. Lamps and choose the one best suited to your home. I.E.S. table lamps are priced as low as \$6.50. I.E.S. floor lamps are priced as low as \$12.50.

TORONTO HYDRO-ELECTRIC SHOP

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